

State: District of Columbia **Filing Company:** The Guardian Life Insurance Company of America
TOI/Sub-TOI: H07G Group Health - Specified Disease - Limited Benefit/H07G.002A Dread Disease - Cancer Only
Product Name: GC-CAN-12 Group Cancer Insurance - The Guardian
Project Name/Number: GC-CAN-12 Group Cancer Insurance - The Guardian Life Insurance Company of America/GC-CAN-12 Group Cancer Insurance
- The Guardian Life Insurance Company of America

Filing at a Glance

Company: The Guardian Life Insurance Company of America
Product Name: GC-CAN-12 Group Cancer Insurance - The Guardian
State: District of Columbia
TOI: H07G Group Health - Specified Disease - Limited Benefit
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Filing Type: Rate
Date Submitted: 01/08/2013
SERFF Tr Num: MCHX-128840259
SERFF Status: Pending State Action
State Tr Num:
State Status:
Co Tr Num: GC-CAN-12 RATES
Implementation: On Approval
Date Requested:
Author(s): Betty Dabrowski, Jackie Tootchen, Lauren Regnery, Jane Neal, Tim Hager, Nancy Cuzzo,
Linda Boyce, Ashley Schute, Kathy Nangle, Elizabeth Rogers
Reviewer(s): Darniece Shirley (primary), Carolyn King
Disposition Date:
Disposition Status:
Implementation Date:
State Filing Description:

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General Information

Project Name: GC-CAN-12 Group Cancer Insurance - The Guardian Life Insurance Company of America
Project Number: GC-CAN-12 Group Cancer Insurance - The Guardian Life Insurance Company of America
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Group Market Type: Employer
Filing Status Changed: 01/22/2013
State Status Changed:
Created By: Ashley Schute
Corresponding Filing Tracking Number: GC-ACC-12

Status of Filing in Domicile: Not Filed
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Group
Group Market Size: Small and Large
Overall Rate Impact:
Deemer Date:
Submitted By: Ashley Schute

Filing Description:

The Guardian Life Insurance Company of America
NAIC #64246 FEIN #13-5123390

GROUP CANCER COVERAGE

Certificate form GC-CAN-12-DC, et al.
Rate Submission

McHugh Consulting Resources, Inc. has been requested to file the enclosed rates on behalf of The Guardian Life Insurance Company of America. We have provided an authorization letter for your files.

Enclosed is the actuarial memorandum and rates for the above captioned Group Cancer plan submitted under separate cover with SERFF Tracking # MCHX-G128725539.

Thank you for your attention to this filing. Please do not hesitate to contact the undersigned at 215.230.7960 if there are any questions that we can answer regarding this filing.

Sincerely,

Tara E. Strehle, Consultant
McHugh Consulting Resources, Inc.
215-230-7960
mcr@mchughconsulting.com

Attachments

Company and Contact

Filing Contact Information

Ashley Schute, mcr@mchughconsulting.com

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Doylestown, PA 18901

Filing Company Information

(This filing was made by a third party - McHughConsulting)

The Guardian Life Insurance
Company of America
7 Hanover Street
New York, NY 10004
(212) 598-8000 ext. [Phone]

CoCode: 64246
Group Code: 429
Group Name:
FEIN Number: 13-5123390

State of Domicile: New York
Company Type:
State ID Number:

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:

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Rate Information

Rate data applies to filing.

Filing Method:	Prior Approval
Rate Change Type:	Neutral
Overall Percentage of Last Rate Revision:	%
Effective Date of Last Rate Revision:	
Filing Method of Last Filing:	

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
The Guardian Life Insurance Company of America	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

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Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Actuarial Memorandum/Rates/Schedule	GC-CAN-12-DC, GC-R-CAN-AH-12-DC, GC-R-CAN-DP-12-DC, GC-R-IDB-CAN-12-DC, GC-SCH-CAN-12-DC	New		Cancer Schedule Amounts 2012-08.pdf CANCER RATE MANUAL 2012-12.pdf

Cancer Benefit Definitions and Schedule Amounts

	Benefit Definition	Limitations	Schedule A	Schedule B	Schedule C
Air Ambulance	Pay if a licensed professional air ambulance is used to transport a covered person to a hospital where a covered person is confined as an inpatient for internal cancer treatment.	We limit what we pay to two one-way trips per period of hospital confinement.	\$250/trip, limit 2 trips per confinement	\$1,500/trip, limit 2 trips per confinement	\$2,000/trip, limit 2 trips per confinement
Alternative Care	Pay for alternative care benefits if a covered person is diagnosed with internal cancer. We will require that the cancer diagnosis be reconfirmed on a regular basis, either by proof of ongoing treatment, or by a doctor's recertification. (a) Palliative Care Benefit: Pay for each visit to an accredited practitioner for bio-feedback and hypnosis. (b) Lifestyle Benefit - Pay for each visit to an accredited practitioner for smoking cessation, yoga, meditation, relaxation techniques and nutritional counseling.	We limit what we pay each benefit year to 20 visits per benefit year for palliative care and lifestyle benefits combined. And we limit what we pay for palliative care and Lifestyle Benefits combined to two benefit years in a covered person's lifetime.	No Benefit	No Benefit	\$50/visit up to 20 visits
Ambulance	Pay if a licensed professional ambulance is used to transport a covered person to a hospital where a covered person is confined as an inpatient for internal cancer treatment.	We limit what we pay to two one-way trips per period of hospital confinement.	\$200/trip, limit 2 trips per confinement	\$200/trip, limit 2 trips per confinement	\$250/trip, limit 2 trips per confinement
Anesthesia	If general anesthesia is provided to a covered person in connection with a surgical procedure covered under the Surgical Benefits section, we will pay 25% of the amount shown in the schedule of insurance for the surgical procedure.		25% of surgery benefit	25% of surgery benefit	25% of surgery benefit

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	Benefit Definition	Limitations	Schedule A	Schedule B	Schedule C
Anti-Nausea Medication	Pay if a doctor prescribes a covered person drugs to control nausea related to chemotherapy or radiation for internal cancer treatments.	We limit what we pay each month to the amount shown in the schedule of insurance.	No Benefit	\$50/day up to \$150 per month	\$50/day up to \$250 per month
Attending Doctor	Pay if a covered person is visited by a doctor for the treatment of internal cancer while confined in a hospital.	We don't pay for visits by the operating surgeon. We limit what we pay per period of hospital confinement to 75 days.	\$25/day while hospital confined. Limit 75 visits	\$25/day while hospital confined. Limit 75 visits	\$25/day while hospital confined. Limit 75 visits
Blood/Plasma/Platelets	Pay for each day a covered person receives blood, plasma and/or platelets for the treatment of internal cancer. We pay whether the blood, plasma and/or platelets is received as an inpatient in a hospital or as an outpatient in a doctor's office, hospital or ambulatory surgical center. We don't pay for blood, plasma and/or platelets for any other reason, including replacement of blood during surgery.	We limit what we pay in the 12 months which starts on the date of the first treatment to the amount shown in the schedule of insurance.	\$50/day up to \$5,000 per year	\$100/day up to \$5,000 per year	\$200/day up to \$10,000 per year
Bone Marrow & Stem Cells	Pay if a covered person receives a bone marrow transplant or stem cell transplant to treat internal cancer.	We will cover up to two bone marrow transplants and up to two stem cell transplants in a covered person's lifetime. The second of each is paid at 50%. If a covered person donates bone marrow to another person (does not have to be a covered person), we will pay \$1,000.	No Benefit	Bone Marrow: \$7,500 Stem Cell: \$1,500 50% benefit for 2nd transplant. If insured is a donor \$1,000	Bone Marrow: \$10,000 Stem Cell: \$2,500 50% benefit for 2nd transplant. If insured is a donor \$1,500

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	Benefit Definition	Limitations	Schedule A	Schedule B	Schedule C
Experimental Treatment	Pay if a doctor prescribes experimental treatment for a covered person for the purpose of destroying or changing abnormal tissue, and the treatment is administered by medical personnel in a doctor's office, clinic or hospital. All treatment must be NCI-listed as viable experimental treatment for internal cancer.	We will not pay benefits under this provision for laboratory tests, immunotherapy, diagnostic x-rays, and therapeutic devices or other procedures related to the treatments. We will not pay benefits under this provision for the same day the radiation and chemotherapy benefit is payable. However if a covered person is eligible for both the experimental treatment benefit and the radiation and chemotherapy benefit on the same day, then we will pay the higher benefit.	No Benefit	\$100/day up to \$1,000/month	\$200/day up to \$2,400/month
Extended Care Facility/Skilled Nursing Care	Pay if we pay benefits under this plan's hospital confinement section for a covered person, and such covered person subsequently is confined to an extended care or skilled nursing facility for the treatment of internal cancer.	The extended care or skilled nursing facility confinement must start within 30 days of the end of the hospital confinement. We limit what we pay each benefit year to 90 days.	\$100/day up to 90 days per year	\$100/day up to 90 days per year	\$150/day up to 90 days per year
Government or Charity Hospital	In lieu of all the other benefits provided by this plan, we will pay the amount shown in the schedule of insurance per day when a covered person is confined to: (a) a hospital operated by or for the U.S. Government (including the Veteran's Administration); or (b) a hospital that does not charge for its services (charity). The confinement must be for the treatment of internal cancer.		No Benefit	\$300 per day in lieu of other benefits	\$400 per day in lieu of other benefits

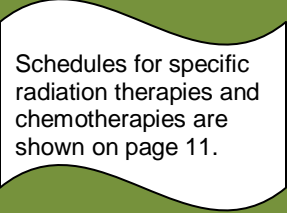
	Benefit Definition	Limitations	Schedule A	Schedule B	Schedule C
Home Health Care	Pay if a covered person receives home health care or health support services for the treatment of internal cancer. We will pay benefits under this section only if the home health care or health support services providers are licensed or certified and as qualified as caregivers providing comparable services at a hospital or other appropriate medical facility.	We limit what we pay each benefit year to 30 visits. This benefit will not be paid for any day a benefit is paid under the hospice section. If a covered person is eligible for both a benefit under the home health care and hospice sections on the same day, we will pay the higher amount. However, these services must start within seven days of release from a hospital. And the covered person's doctor must certify that the covered person would need to be hospital confined if home health care was not available.	No Benefit	\$50/visit up to 30 visits per year	\$100/visit up to 30 visits per year
Hormone Therapy	Pay if a doctor prescribes, and a covered person receives hormone therapy as a treatment for internal cancer.	We limit what we pay to 12 each benefit year.	\$25/treatment up to 12 per year	\$25/treatment up to 12 per year	\$50/treatment up to 12 per year
Hospice	Pay if a covered person receives hospice care. We require that the covered person's doctor certify in writing that the covered person is terminally ill as a result of internal cancer, with a life expectancy of less than six months.	We limit what we pay to 100 days during the covered person's lifetime. This benefit is not payable on the same day the extended care facility, home health care or hospital confinement benefit is payable. However, if a covered person is eligible for the extended care facility, home health care, hospice or hospital confinement benefit on the same day, we will pay the highest benefit.	\$50/day up to 100 days/lifetime	\$50/day up to 100 days/lifetime	\$100/day up to 100 days/lifetime
Hospital Confinement	Pay for each day during a period of hospital confinement in which a covered person is confined in a hospital for the treatment of internal cancer.		\$300/day for first 30 days; \$600/day for 31st day thereafter per confinement	\$300/day for first 30 days; \$600/day for 31st day thereafter per confinement	\$400/day for first 30 days; \$800/day for 31st day thereafter per confinement

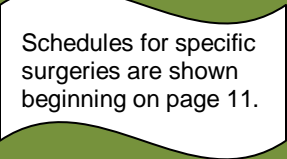
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	Benefit Definition	Limitations	Schedule A	Schedule B	Schedule C
Immunotherapy	Pay each month if a doctor prescribes immunotherapy for a covered person as treatment for internal cancer.	We limit what we pay in a covered person's lifetime to \$2500. We will not pay benefits under this provision for the same treatment under this plan's radiation or chemotherapy provision or the experimental treatment provision. However, if a covered person is eligible for the immunotherapy, radiation therapy or chemotherapy and the experimental treatment benefit on the same day, then we will pay the highest benefit.	\$500/month, \$2,500 lifetime max	\$500/month, \$2,500 lifetime max	\$500/month, \$2,500 lifetime max
Inpatient Special Nursing	Pay each day for inpatient special nursing if a covered person requires full-time nursing care while a covered person is an inpatient being treated for internal cancer.	Full-time means at least 8 hours of attendance in a 24 hour period. We limit what we pay each benefit year to 30 days. Nursing care must be ordered by a doctor for the treatment of internal cancer, and must be provided by a licensed registered graduate nurse or licensed practical or vocational nurse. Care can't be provided by a family member.	No Benefit	\$100/day up to 30 days per year	\$150/day up to 30 days per year

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	Benefit Definition	Limitations	Schedule A	Schedule B	Schedule C
Intensive Care Unit Confinement	Pay if a covered person is confined in a hospital's intensive care unit for the treatment of internal cancer.	We don't pay for intensive care unit confinement and hospital confinement on the same day.	\$400/day for first 30 days; \$600/day for 31st day thereafter per confinement	\$400/day for first 30 days; \$600/day for 31st day thereafter per confinement	\$600/day for first 30 days; \$800/day for 31st day thereafter per confinement
Medical Imaging	Pay if a covered person receives a medical imaging procedure related to a diagnosed internal cancer.	We limit what we pay each benefit year to 2 images.	No Benefit	\$100/image up to 2 per year	\$200/image up to 2 per year
Outpatient and Family Member Lodging	Pay per day for lodging as described below. We pay a daily lodging benefit when a covered person stay in a hotel, motel or other commercial accommodation in conjunction with receiving treatment of internal cancer. We pay a daily lodging benefit for one adult family member who stays in a hotel, motel or other commercial accommodation in order to be near the covered person while confined in a hospital for internal cancer treatment.	We limit what we pay for lodging to 90 days. Such treatment must be ordered by a doctor and must not be able to be obtained locally. Lodging must occur more than 50 miles from the covered person's home. We don't pay for any day that a stay begins more than 24 hours prior to treatment or more than 24 hours after treatment.	No Benefit	\$75/day more than 50 miles away, up to 90 days per year	\$100/day more than 50 miles away, up to 90 days per year
Outpatient or Ambulatory Surgical Center	Pay when a covered person uses an outpatient or ambulatory surgical center for a surgical procedure covered under this plan's surgical benefits section.	We limit what we pay to three days per surgical procedure.	No Benefit	\$250/day, 3 days per procedure	\$350/day, 3 days per procedure
Physical or Speech Therapy	Pay for physical or speech therapy provided to a covered person for restoration of normal body function following treatment of internal cancer. We limit what we pay combined for physical and speech therapy to the number of visits per month shown in the schedule of insurance.	Such therapy must be provided by a licensed or certified physical or speech therapist.	No Benefit	\$25/visit - up to 4 visits per month, \$400 lifetime max	\$50/visit - up to 4 visits per month, \$1,000 lifetime max

	Benefit Definition	Limitations	Schedule A	Schedule B	Schedule C
Prosthetic Devices	Pay for prosthetic devices provided to a covered person as a direct result of treatment of internal cancer. There are separate amounts shown in the schedule of insurance for surgically implanted prosthetic devices and non-surgically implanted prosthetic devices. Surgically implanted prosthetic devices must be the direct result or consequence of the surgical treatment of internal cancer.	We limit what we pay for prosthetic devices in a covered person's lifetime to the amounts shown in the schedule of insurance. The prosthetic device coverage does not include coverage for a Breast Transverse Rectus Abdominis Myocutaneous (TRAM) Flap procedure as listed under the Reconstructive Surgery benefit.	Surgically Implanted: \$2,000/device, \$4,000 lifetime max Non-Surgically: \$200/device, \$400 lifetime max	Surgically Implanted: \$2,000/device, \$4,000 lifetime max Non-Surgically: \$200/device, \$400 lifetime max	Surgically Implanted: \$3,000/device, \$6,000 lifetime max Non-Surgically: \$300/device \$600 lifetime max
Radiation Therapy or Chemotherapy 	Pay if a covered person receives radiation therapy or chemotherapy as internal cancer treatment for the purpose of changing or destroying abnormal tissue. Radiation therapy and chemotherapy treatments must be approved for the treatment of cancer by the United States Food and Drug Administration.	Such therapy must be administered by medical personnel in a hospital, doctor's office or clinic. Benefits will be paid only for days on which treatment is performed. Benefits will not be paid for office visits, laboratory tests, diagnostic x-rays, treatment planning, simulation, treatment devices, dosimetry, radiation physics, teletherapy or other treatments related to radiation therapy or chemotherapy treatments. Hormone therapy and immunotherapy is not covered under this provision.	Schedule amounts up to \$4,000/year	Schedule amounts up to \$4,000/year	Schedule amounts up to \$12,000/year
Reconstructive Surgery	Pay if a covered person has reconstructive surgery performed related to the treatment of internal cancer. We pay only for the following procedures: (a) Breast symmetry (modification of the non-cancerous breast performed within 5 years of reconstructing the cancerous breast); (b) Breast reconstruction; (c) Facial reconstruction; and (d) Breast transverse rectus abdominis myocutaneous (TRAM) flap. Also, we will pay 25% of the reconstructive surgery amounts shown in the schedule of insurance for general anesthesia used during these procedures.		No Benefit	Breast TRAM flap \$2,000 Breast reconstruction \$500 Breast Symmetry \$250 Facial reconstruction \$500	Breast TRAM flap \$3,000 Breast reconstruction \$700 Breast Symmetry \$350 Facial reconstruction \$700

	Benefit Definition	Limitations	Schedule A	Schedule B	Schedule C
Reproductive Benefits	Pay for a covered person to have oocytes extracted and harvested. Also, once per covered person, we will pay for the storage of a covered person's oocytes or sperm with a licensed reproductive tissue bank or a similarly licensed facility.	Any such extraction, harvesting or storage must occur prior to chemotherapy or radiation treatment that has been prescribed for the covered person's treatment of cancer. We limit what we pay in a covered person's lifetime for covered reproductive benefits to the amount shown in the schedule of insurance.	No Benefit	No Benefit	\$1,500 harvesting, \$500 egg or sperm storage, \$2,000 lifetime max
Second Surgical Opinion	Pay if a doctor has diagnosed a covered person with internal cancer requiring surgery and a covered person obtains a second surgical opinion.	However, the second surgical opinion must be from a different doctor than the one who recommended the surgery. We limit what we pay to one benefit per surgical procedure.	\$200/surgery or treatment	\$200/surgery or treatment	\$300/surgery or treatment
Skin Cancer	Pay if a doctor performs any of the following procedures for the purpose of treating diagnosed skin cancer in a covered person: (a) biopsy; (b) reconstructive surgery following previous excision of skin cancer; (c) excision of skin cancer without flap or graft; or (d) excision of skin cancer with flap or graft. The amount shown in the schedule of insurance includes the amount payable for anesthesia services.		Biopsy Only: \$100 Reconstructive Surgery: \$250 Excision of a skin cancer: \$375 Excision of a skin cancer with flap or graft: \$600	Biopsy Only: \$100 Reconstructive Surgery: \$250 Excision of a skin cancer: \$375 Excision of a skin cancer with flap or graft: \$600	Biopsy Only: \$100 Reconstructive Surgery: \$250 Excision of a skin cancer: \$375 Excision of a skin cancer with flap or graft: \$600
Surgical Benefits 	Pay if a doctor performs one of the procedures shown in the schedule of insurance for the purpose of treating internal cancer diagnosed in a covered person. If more than one surgical procedure is performed through the same incision, benefits will be paid for only one procedure based upon the highest eligible benefit.	The schedule of insurance for surgical procedures does not apply to surgery for skin cancer, which will be covered only under the skin cancer section. And the schedule of insurance for surgical procedures does not apply to reconstructive surgery, which is covered only under the reconstructive surgery section.	Schedule amounts up to \$2,750	Schedule amounts up to \$4,125	Schedule amounts up to \$5,500

	Benefit Definition	Limitations	Schedule A	Schedule B	Schedule C
Transportation/ Companion Transportation	Pay for transportation and companion transportation as follows: We pay a transportation benefit upon completion of a round trip to transport a covered person to a hospital or clinic for the purpose of internal cancer treatment. However the hospital or clinic must be at least 50 miles from the covered person's home. And transportation cannot be by the use of an ambulance or air ambulance. If commercial travel (coach-class plane, train or bus) is necessary, we will pay for one additional person to accompany the covered person.	If treatment is for a covered dependent child, we will pay for up to two adults to accompany the covered dependent child.	No Benefit	\$0.50/mile up to \$1,000 per round trip - same for companion, more than 50 miles away	\$0.50/mile up to \$1,500 per round trip - same for companion, more than 50 miles away

Specific Treatments Related to
Radiation Therapy/Chemotherapy and Surgery

	Specific Treatment	Value	Advantage	Premier
Radiation Therapy and Chemotherapy	Radiation & Chemotherapy – Benefit year maximum	\$4,000	\$4,000	\$12,000
	Injected Cytotoxic Meds	\$300/week	\$300/week	\$1000/week
	Pump Dispensed Cytotoxic Meds (first prescription then per week for refills)	\$300	\$300	\$1,000
	Oral Cytotoxic Meds	\$150/prescription up to \$450 per month	\$150/prescription up to \$450 per month	\$500/prescription up to \$1,500 per month
	Cytotoxic Meds Administration by any other method	\$300/week	\$300/week	\$1,000/week
	External Radiation therapy	\$400/week	\$400/week	\$600/week
	Insertion of interstitial or intracavity admin of radioisotopes or radium	\$450/week	\$450/week	\$750/week
	Oral or I.V. radiation	\$400/week	\$400/week	\$600/week
Surgery	Abdomen - Cholecystectomy	\$385	\$575	\$770
	Abdomen - Exploratory laparotomy	\$290	\$435	\$580
	Abdomen - Paracentesis	\$75	\$110	\$150
	Bladder - (TUR) transurethral resection bladder tumors	\$290	\$435	\$580
	Bladder - Cystectomy (complete)	\$990	\$1,485	\$1,980
	Bladder - Cystectomy (partial)	\$495	\$740	\$990
	Bladder - Cystectomy (with ureteroileal conduit)	\$1,980	\$2,970	\$3,960
	Bladder - Cystoscopy	\$75	\$110	\$150
	Brain - Burr holes not followed by surgery	\$385	\$575	\$770
	Brain - Excision brain tumor	\$1,925	\$2,885	\$3,850
	Brain - Exploratory craniotomy	\$825	\$1,235	\$1,650
	Brain - Ventriculoperitoneal shunt	\$385	\$575	\$770
	Brain - Hemispherectomy	\$2,750	\$4,125	\$5,500
	Breast - Excision biopsy	\$150	\$225	\$300
	Breast - lumpectomy	\$190	\$285	\$380
	Breast - mastectomy partial	\$290	\$435	\$580
	Breast - mastectomy radical	\$575	\$860	\$1,150
	Breast - mastectomy simple	\$385	\$575	\$770
	Breast - Needle Biopsy	\$75	\$110	\$150
	Chest - Bronchoscopy	\$165	\$245	\$330
	Chest - Lobectomy	\$825	\$1,235	\$1,650
	Chest - Mediastinoscopy	\$165	\$245	\$330

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	Specific Treatment	Value	Advantage	Premier
Surgery (continued)	Chest - Pneumonectomy	\$1,155	\$1,730	\$2,310
	Chest - Thoracentesis	\$75	\$110	\$150
	Chest - Thoracostomy	\$165	\$245	\$330
	Chest - Thoracotomy	\$385	\$575	\$770
	Chest - Wedge resection	\$660	\$990	\$1,320
	Esophagus - Esophagogastrectomy	\$825	\$1,235	\$1,650
	Esophagus - Esophagoscopy	\$150	\$225	\$300
	Esophagus - Resection of esophagus	\$1,100	\$1,650	\$2,200
	Eye - Enucleation	\$275	\$410	\$550
	Eye - P32 uptake	\$135	\$200	\$270
	Female Reproductive - Abdominal hysterectomy/uterus only	\$495	\$740	\$990
	Female Reproductive - Colposcopy	\$95	\$140	\$190
	Female Reproductive - D&C	\$95	\$140	\$190
	Female Reproductive - Oophorectomy	\$290	\$435	\$580
	Female Reproductive - Uterus, tubes & ovaries	\$960	\$1,440	\$1,920
	Female Reproductive - Uterus, tubes & ovaries with exenteration	\$2,750	\$4,125	\$5,500
	Female Reproductive - Vaginal hysterectomy/uterus only	\$290	\$435	\$580
	Intestines - Abdominal-perineal resection	\$1,375	\$2,060	\$2,750
	Intestines - Colectomy	\$495	\$740	\$990
	Intestines - Colonoscopy (does not include virtual or CT Colonography)	\$150	\$225	\$300
	Intestines - Colostomy/or revision of	\$190	\$285	\$380
	Intestines - ERCP	\$190	\$285	\$380
	Intestines - Excesional on rectum for biopsy	\$150	\$225	\$300
	Intestines - Ileostomy	\$190	\$285	\$380
	Intestines – Proctosigmoidoscopy	\$75	\$110	\$150
	Intestines - Resection of small intestine	\$1,155	\$1,730	\$2,310
	Intestines - Sigmoidoscopy	\$75	\$110	\$150
	Kidney - Nephrectomy (radical)	\$1,980	\$2,970	\$3,960
	Kidney - Nephrectomy (simple)	\$1,155	\$1,730	\$2,310
	Liver - Need biopsy	\$75	\$110	\$150
	Liver - Resection of liver	\$1,375	\$2,060	\$2,750
	Liver - Wedge biopsy	\$190	\$285	\$380
	Lymphatic - Axillary node dissection	\$385	\$575	\$770

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	Specific Treatment	Value	Advantage	Premier
Surgery (continued)	Lymphatic - Excision of lymph nodes	\$95	\$140	\$190
	Lymphatic - Lymphadenectomy (bilateral)	\$495	\$740	\$990
	Lymphatic - Lymphadenectomy (unilateral)	\$385	\$575	\$770
	Lymphatic - Splenectomy	\$385	\$575	\$770
	Mandible - Mandibulectomy	\$770	\$1,155	\$1,540
	Misc - Bone marrow biopsy or aspiration	\$75	\$110	\$150
	Misc - Pathological hip fracture	\$480	\$720	\$960
	Misc - Venous-Catheters/venous port (chemo)	\$75	\$110	\$150
	Misc - Peripherally inserted central catheter (PICC)	\$75	\$110	\$150
	Misc - Pathologica fracture	\$220	\$330	\$440
	Mouth - Glossectomy	\$385	\$575	\$770
	Mouth - Hemiglossectomy	\$190	\$285	\$380
	Mouth - Resection of palate	\$385	\$575	\$770
	Mouth - Tonsil/Mucous membranes	\$290	\$435	\$580
	Pancreas - Jejunostomy	\$495	\$740	\$990
	Pancreas - Pancreatectomy	\$1,155	\$1,730	\$2,310
	Pancrease - Whipple procedure	\$1,980	\$2,970	\$3,960
	Penis - amputation, complete	\$385	\$575	\$770
	Penis - amputation, partial	\$190	\$285	\$380
	Penis - amputation, radical	\$495	\$740	\$990
	Prostate - (TUR) transurethral resection prostate	\$290	\$435	\$580
	Prostate - Cystoscopy	\$75	\$110	\$150
	Prostate - Needle biopsy	\$75	\$110	\$150
	Prostate - Radical prostatectomy	\$770	\$1,155	\$1,540
	Radium Implants - Insertion	\$550	\$825	\$1,100
	Radium Implants - Removal	\$275	\$410	\$550
	Salivary glands - Biopsy	\$190	\$285	\$380
	Salivary glands - Parotidectomy	\$385	\$575	\$770
	Salivary glands - Radical neck dissection	\$990	\$1,485	\$1,980
	Spine - Cordotomy	\$290	\$435	\$580
	Spine - Laminectomy	\$495	\$740	\$990
	Stomach - Gastrectomy (complete)	\$770	\$1,155	\$1,540
	Stomach - Gastrectomy (partial)	\$495	\$740	\$990
	Stomach - Gastrojejunostomy	\$495	\$740	\$990
	Stomach - Gastroscopy	\$165	\$245	\$330
	Testis - Orchiectomy (bilateral)	\$265	\$395	\$530
	Testis - Orchiectomy (unilateral)	\$190	\$285	\$380

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	Specific Treatment	Value	Advantage	Premier
Surgery (continued)	Throat - Laryngectomy (w/out neck dissection)	\$495	\$740	\$990
	Throat - Laryngectomy (with neck dissection)	\$990	\$1,485	\$1,980
	Throat - Laryngoscopy	\$165	\$245	\$330
	Throat - Tracheostomy	\$165	\$245	\$330
	Thyroid - Thyroidectomy (partial: one lobe)	\$290	\$435	\$580
	Thyroid - Thyroidectomy (total: both lobes)	\$385	\$575	\$770
	Vulva - Vulvectomy (partial)	\$290	\$435	\$580
	Vulva - Vulvectomy (radical)	\$770	\$1,155	\$1,540

Line 1 - Cancer Monthly Base Rate

Calculate the Line 1 base rate for the employee by summing the base rates for each employee's age and gender

for either attained age rating or issue age rating and then dividing by the total number of employees

Similarly, calculate the Line 1 base rate for the spouse by summing the base rates for each employee's age and opposite gender

for either attained age rating or issue age rating and then dividing by the total number of employees

The Line 1 child base rate is the base rate for the given plan type

Age	Attained Age Rating						Issue Age Rating					
	Schedule A		Schedule B		Schedule C		Schedule A		Schedule B		Schedule C	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
17	0.328	0.355	0.465	0.521	0.667	0.735	0.476	0.595	0.707	0.978	1.011	1.404
18	0.345	0.389	0.500	0.587	0.716	0.826	0.496	0.642	0.747	1.069	1.067	1.538
19	0.364	0.423	0.537	0.654	0.767	0.918	0.519	0.693	0.789	1.167	1.127	1.682
20	0.383	0.459	0.574	0.721	0.819	1.011	0.543	0.747	0.833	1.271	1.192	1.836
21	0.403	0.495	0.606	0.785	0.865	1.099	0.569	0.806	0.874	1.378	1.251	1.996
22	0.424	0.532	0.644	0.854	0.919	1.195	0.597	0.869	0.924	1.498	1.323	2.179
23	0.448	0.574	0.686	0.933	0.978	1.310	0.631	0.938	0.980	1.630	1.404	2.379
24	0.473	0.617	0.729	1.012	1.038	1.426	0.669	1.012	1.041	1.772	1.493	2.597
25	0.498	0.694	0.772	1.127	1.098	1.589	0.710	1.094	1.106	1.928	1.589	2.836
26	0.524	0.770	0.816	1.262	1.160	1.782	0.755	1.177	1.177	2.092	1.692	3.091
27	0.550	0.837	0.860	1.390	1.223	1.965	0.803	1.261	1.252	2.263	1.804	3.360
28	0.581	0.905	0.910	1.531	1.293	2.184	0.857	1.350	1.335	2.443	1.926	3.647
29	0.605	0.966	0.954	1.665	1.356	2.394	0.914	1.442	1.423	2.631	2.059	3.948
30	0.630	1.024	0.998	1.796	1.419	2.601	0.979	1.541	1.522	2.831	2.205	4.268
31	0.658	1.081	1.046	1.928	1.487	2.808	1.051	1.649	1.631	3.045	2.369	4.611
32	0.695	1.147	1.103	2.068	1.569	3.027	1.133	1.767	1.752	3.275	2.553	4.982
33	0.749	1.242	1.183	2.248	1.684	3.316	1.224	1.895	1.887	3.525	2.757	5.385
34	0.809	1.341	1.270	2.433	1.810	3.612	1.322	2.031	2.033	3.789	2.979	5.812
35	0.874	1.446	1.361	2.623	1.940	3.915	1.429	2.175	2.192	4.070	3.222	6.267
36	0.940	1.555	1.453	2.872	2.074	4.301	1.544	2.327	2.364	4.370	3.488	6.754
37	1.006	1.666	1.546	3.123	2.207	4.689	1.670	2.488	2.553	4.682	3.781	7.263
38	1.093	1.809	1.679	3.432	2.407	5.195	1.807	2.660	2.763	5.008	4.107	7.800
39	1.180	1.952	1.811	3.741	2.607	5.703	1.956	2.838	2.988	5.339	4.461	8.346
40	1.269	2.098	1.946	4.053	2.811	6.214	2.118	3.024	3.234	5.675	4.846	8.904
41	1.363	2.250	2.086	4.370	3.021	6.733	2.295	3.220	3.503	6.019	5.271	9.474
42	1.465	2.409	2.233	4.694	3.242	7.261	2.490	3.425	3.799	6.369	5.741	10.057
43	1.613	2.603	2.462	5.069	3.597	7.879	2.705	3.640	4.128	6.727	6.264	10.655
44	1.768	2.805	2.696	5.452	3.961	8.507	2.936	3.861	4.479	7.084	6.826	11.254
45	1.928	3.013	2.937	5.840	4.334	9.143	3.183	4.087	4.857	7.438	7.431	11.849
46	2.096	3.226	3.185	6.231	4.718	9.744	3.450	4.318	5.265	7.854	8.088	12.494
47	2.272	3.439	3.439	6.621	5.111	10.380	3.739	4.553	5.709	8.281	8.807	13.194
48	2.514	3.645	3.829	6.918	5.742	10.883	4.055	4.796	6.197	8.616	9.600	13.768
49	2.761	3.852	4.225	7.214	6.384	11.386	4.389	5.046	6.710	8.961	10.433	14.359
50	3.017	4.062	4.629	7.511	7.037	11.891	4.743	5.308	7.252	9.318	11.314	14.973
51	3.283	4.278	5.042	7.812	7.705	12.402	5.122	5.582	7.828	9.691	12.252	15.614
52	3.561	4.500	5.464	8.118	8.387	12.920	5.529	5.870	8.444	10.081	13.256	16.286
53	3.931	4.754	6.043	8.464	9.325	13.518	5.968	6.173	9.110	10.493	14.342	16.995
54	4.315	5.014	6.633	8.814	10.280	14.123	6.428	6.490	9.801	10.921	15.472	17.734
55	4.706	5.272	7.228	9.161	11.244	14.723	6.909	6.821	10.524	11.369	16.654	18.507
56	5.159	5.585	7.899	9.584	12.314	15.429	7.417	7.171	11.284	11.844	17.900	19.325
57	5.614	5.906	8.568	10.011	13.382	16.141	7.943	7.531	12.073	12.334	19.201	20.175
58	6.160	6.312	9.428	10.578	14.784	17.110	8.494	7.904	12.903	12.844	20.576	21.064
59	6.708	6.727	10.287	11.152	16.189	18.092	9.054	8.275	13.739	13.348	21.966	21.947
60	7.262	7.144	11.149	11.726	17.601	19.075	9.626	8.641	14.583	13.843	23.376	22.821
61	7.831	7.553	12.020	12.290	19.017	20.047	10.213	9.001	15.439	14.329	24.796	23.682
62	8.416	7.947	12.900	12.835	20.462	20.996	10.815	9.355	16.307	14.814	26.257	24.546
63	9.110	8.339	13.928	13.382	22.187	21.971	11.435	9.706	17.191	15.308	27.753	25.424
64	9.828	8.716	14.971	13.908	23.935	22.921	12.049	10.053	18.059	15.792	29.227	26.286
65	10.553	9.084	16.014	14.421	25.685	23.852	12.652	10.398	18.904	16.268	30.666	27.135
66	11.276	9.450	17.044	14.928	27.421	24.776	13.239	10.745	19.728	16.739	32.073	27.971
67+	13.646	10.779	20.416	16.672	33.188	27.908	15.332	12.123	22.702	18.473	37.142	31.022
Child	0.448		0.689		0.976		0.448		0.689		0.976	

Line 2 - Benefit Waiting Period Factor

Benefit Waiting Period	Factor
0 days	1.00
30 days	0.98

Line 3 - Initial Diagnosis Benefit

To calculate the Line 3 rate, multiply the Line 3a base rate for either attained age rating (CANCER-2) or issue age rating (CANCER-3) for the appropriate initial diagnosis benefit amount by the Line 3b factor

Calculate the Line 3a rate for the employee by summing the rates for each employee's age and gender and then dividing by the total number of employees

Similarly, calculate the Line 3a rate for the spouse by summing the rates for each employee's age and opposite gender and then dividing by the total number of employees

The Line 3a child rate is the rate for the appropriate initial diagnosis benefit amount

Line 3a - Initial Diagnosis Benefit Amount

Age	Attained Age Rating							
	\$1,500		\$2,500		\$5,000		\$7,500	
	Male	Female	Male	Female	Male	Female	Male	Female
17	0.029	0.026	0.048	0.044	0.096	0.087	0.143	0.131
18	0.032	0.031	0.053	0.051	0.105	0.102	0.158	0.152
19	0.034	0.035	0.057	0.058	0.115	0.116	0.172	0.174
20	0.037	0.039	0.062	0.065	0.124	0.131	0.186	0.196
21	0.040	0.044	0.067	0.073	0.134	0.145	0.201	0.218
22	0.043	0.048	0.072	0.080	0.143	0.160	0.215	0.239
23	0.046	0.054	0.077	0.090	0.154	0.180	0.231	0.270
24	0.049	0.060	0.082	0.100	0.165	0.201	0.247	0.301
25	0.053	0.066	0.088	0.111	0.175	0.221	0.263	0.332
26	0.056	0.073	0.093	0.121	0.186	0.242	0.279	0.363
27	0.059	0.079	0.098	0.131	0.197	0.263	0.295	0.394
28	0.063	0.091	0.105	0.151	0.210	0.302	0.315	0.453
29	0.067	0.102	0.112	0.170	0.223	0.341	0.335	0.511
30	0.071	0.114	0.118	0.190	0.236	0.380	0.354	0.570
31	0.075	0.126	0.125	0.209	0.249	0.419	0.374	0.628
32	0.079	0.137	0.131	0.229	0.262	0.458	0.393	0.687
33	0.085	0.154	0.142	0.257	0.284	0.513	0.426	0.770
34	0.092	0.171	0.153	0.284	0.306	0.569	0.459	0.853
35	0.098	0.187	0.164	0.312	0.328	0.624	0.492	0.936
36	0.105	0.204	0.175	0.340	0.350	0.679	0.525	1.019
37	0.112	0.220	0.186	0.367	0.372	0.735	0.558	1.102
38	0.127	0.249	0.212	0.415	0.424	0.830	0.636	1.244
39	0.143	0.277	0.238	0.462	0.476	0.925	0.714	1.387
40	0.158	0.306	0.264	0.510	0.528	1.020	0.792	1.530
41	0.174	0.334	0.290	0.557	0.580	1.115	0.870	1.672
42	0.190	0.363	0.316	0.605	0.632	1.210	0.948	1.815
43	0.222	0.400	0.371	0.667	0.741	1.334	1.112	2.001
44	0.255	0.438	0.425	0.729	0.850	1.458	1.275	2.188
45	0.288	0.475	0.479	0.791	0.959	1.583	1.438	2.374
46	0.320	0.512	0.534	0.854	1.067	1.707	1.601	2.561
47	0.353	0.549	0.588	0.916	1.176	1.831	1.764	2.747
48	0.423	0.594	0.704	0.990	1.408	1.979	2.112	2.969
49	0.492	0.638	0.820	1.064	1.640	2.128	2.460	3.191
50	0.562	0.683	0.936	1.138	1.872	2.276	2.808	3.414
51	0.631	0.727	1.052	1.212	2.104	2.424	3.156	3.636
52	0.701	0.772	1.168	1.286	2.336	2.572	3.504	3.858
53	0.807	0.822	1.345	1.369	2.691	2.738	4.036	4.107
54	0.914	0.871	1.523	1.452	3.045	2.904	4.568	4.356
55	1.020	0.921	1.700	1.535	3.400	3.070	5.101	4.605
56	1.127	0.971	1.878	1.618	3.755	3.236	5.633	4.854
57	1.233	1.021	2.055	1.701	4.110	3.402	6.165	5.104
58	1.406	1.104	2.343	1.839	4.687	3.679	7.030	5.518
59	1.579	1.187	2.632	1.978	5.263	3.955	7.895	5.933
60	1.752	1.270	2.920	2.116	5.840	4.232	8.760	6.348
61	1.925	1.353	3.208	2.254	6.417	4.509	9.625	6.763
62	2.098	1.436	3.497	2.393	6.993	4.785	10.490	7.178
63	2.296	1.522	3.826	2.536	7.653	5.073	11.479	7.609
64	2.494	1.608	4.156	2.680	8.312	5.360	12.469	8.040
65	2.692	1.694	4.486	2.824	8.972	5.647	13.458	8.471
66	2.890	1.780	4.816	2.967	9.632	5.935	14.448	8.902
67	3.634	2.063	6.057	3.439	12.114	6.878	18.171	10.317
Child	0.041		0.069		0.138		0.207	

Line 3 - Initial Diagnosis Benefit Rider (continued)**Line 3a - Initial Diagnosis Benefit Amount (continued)**

Age	Issue Age Rating							
	\$1,500		\$2,500		\$5,000		\$7,500	
	Male	Female	Male	Female	Male	Female	Male	Female
17	0.047	0.058	0.078	0.097	0.155	0.195	0.233	0.292
18	0.050	0.065	0.084	0.108	0.168	0.217	0.251	0.325
19	0.054	0.072	0.091	0.120	0.181	0.240	0.272	0.360
20	0.059	0.080	0.098	0.133	0.195	0.266	0.293	0.399
21	0.063	0.088	0.105	0.147	0.210	0.293	0.315	0.440
22	0.068	0.097	0.113	0.162	0.227	0.324	0.340	0.486
23	0.073	0.107	0.122	0.179	0.244	0.358	0.367	0.536
24	0.079	0.118	0.132	0.197	0.264	0.394	0.395	0.591
25	0.085	0.130	0.142	0.217	0.285	0.434	0.427	0.650
26	0.092	0.143	0.154	0.239	0.308	0.477	0.462	0.716
27	0.100	0.158	0.167	0.263	0.334	0.525	0.500	0.788
28	0.109	0.174	0.181	0.289	0.362	0.579	0.544	0.868
29	0.118	0.191	0.197	0.318	0.394	0.635	0.592	0.953
30	0.129	0.209	0.215	0.348	0.430	0.696	0.646	1.044
31	0.141	0.228	0.235	0.380	0.471	0.761	0.706	1.141
32	0.155	0.249	0.259	0.415	0.517	0.831	0.776	1.246
33	0.171	0.272	0.285	0.454	0.570	0.907	0.854	1.361
34	0.189	0.297	0.314	0.494	0.629	0.988	0.943	1.483
35	0.209	0.323	0.348	0.538	0.695	1.075	1.043	1.613
36	0.231	0.350	0.386	0.584	0.771	1.168	1.157	1.752
37	0.257	0.381	0.429	0.634	0.857	1.269	1.286	1.903
38	0.287	0.414	0.479	0.690	0.957	1.379	1.436	2.069
39	0.320	0.448	0.534	0.747	1.067	1.493	1.601	2.240
40	0.357	0.483	0.595	0.806	1.189	1.611	1.784	2.417
41	0.398	0.520	0.663	0.867	1.326	1.735	1.990	2.602
42	0.444	0.000	0.740	0.000	1.481	0.000	2.221	0.000
43	0.497	0.601	0.829	1.001	1.657	2.002	2.486	3.002
44	0.555	0.643	0.924	1.071	1.849	2.142	2.773	3.213
45	0.617	0.686	1.029	1.144	2.058	2.287	3.087	3.431
46	0.687	0.731	1.145	1.218	2.289	2.437	3.434	3.655
47	0.764	0.778	1.274	1.296	2.548	2.592	3.821	3.888
48	0.852	0.827	1.420	1.378	2.840	2.755	4.259	4.133
49	0.944	0.877	1.573	1.461	3.147	2.923	4.720	4.384
50	1.042	0.929	1.736	1.548	3.472	3.095	5.208	4.643
51	1.146	0.982	1.910	1.637	3.820	3.273	5.730	4.910
52	1.259	1.038	2.098	1.730	4.196	3.459	6.295	5.189
53	1.383	1.096	2.304	1.827	4.608	3.654	6.912	5.482
54	1.511	1.157	2.518	1.929	5.037	3.857	7.555	5.786
55	1.646	1.221	2.743	2.035	5.486	4.069	8.230	6.104
56	1.789	1.288	2.982	2.147	5.963	4.293	8.945	6.440
57	1.942	1.359	3.236	2.265	6.472	4.531	9.708	6.796
58	2.107	1.436	3.512	2.394	7.025	4.787	10.537	7.181
59	2.274	1.513	3.790	2.521	7.581	5.042	11.371	7.563
60	2.442	1.589	4.070	2.648	8.141	5.295	12.211	7.943
61	2.612	1.664	4.353	2.773	8.707	5.546	13.060	8.320
62	2.784	1.739	4.641	2.898	9.281	5.796	13.922	8.694
63	2.960	1.813	4.933	3.022	9.867	6.043	14.800	9.065
64	3.134	1.886	5.223	3.143	10.447	6.286	15.670	9.429
65	3.306	1.957	5.510	3.261	11.020	6.522	16.530	9.783
66	3.476	2.025	5.793	3.376	11.586	6.751	17.379	10.127
67	4.039	2.246	6.732	3.744	13.464	7.487	20.196	11.231
Child	0.041		0.069		0.138		0.207	

Line 3b - Initial Diagnosis Benefit Waiting Period Factor

Benefit Waiting Period	Factor
0 days	1.00
30 days	0.98

Line 4 - Contributory Size Factor

Employee Participation	Group Size				
	Less than 25	25-49	50-99	100-299	300+
Employer Paid: 100% (Non-Contributory)					
80% - 100%	1.00	0.95	0.90	0.85	0.80
0% - 80%	N/A	N/A	N/A	N/A	N/A
Employer Paid: >20% (Contributory)					
80% - 100%	1.05	1.00	0.95	0.90	0.85
61% - 80%	1.05	1.00	0.95	0.90	0.85
41% - 60%	1.15	1.10	1.05	0.95	0.90
21% - 40%	1.45	1.35	1.25	1.00	0.95
0% - 20%	2.00	1.75	1.50	1.10	1.00
Employer Paid: <20% (Voluntary)					
80% - 100%	1.05	1.00	0.95	0.90	0.85
61% - 80%	1.10	1.05	1.00	0.95	0.90
41% - 60%	1.20	1.15	1.10	1.00	0.95
21% - 40%	1.50	1.40	1.30	1.05	1.00
0% - 20%	2.00	1.75	1.50	1.10	1.00

Line 5 - Child Minimum Age Factor

Child Minimum Age	Factor
Birth (0 days)	1.00
14 Days	1.00

Line 6 - Dependent Age Factor

Dependent Children covered through age...

Non-Students	Full-time Students	Factor
19	23	0.965
19	25	0.970
19	26	0.975
20	23	0.970
20	25	0.975
20	26	0.980
21	23	0.980
21	25	0.985
21	26	0.990
23	23	0.985
23	25	0.990
23	26	0.995
25	25	0.995
25	26	0.998
26	26	1.000

Line 7 - Area Factor

From Zip Code	To Zip Code	Factor
00000	99999	1.00

Line 8 - Rate Guarantee Factor

Guarantee Period (years)	Factor
1	1.00
2	1.03
3	1.05

Line 9 - Multi Options Factor

Multi Options Selected	Factor
Yes	1.05
No	1.00

Line 10 - Pre-existing Condition Factor

Pre-existing Condition Look back / Look forward periods	Factor	
	Virgin	Takeover
3 / 12 Exclusion	1.018	1.090
12 / 12 Exclusion	1.000	1.090
6 / 24 Exclusion	1.011	1.090
6 / 6 Exclusion	1.018	1.090

Line 11 - Portability Factor

Portability Option	Factor
None	1.00
Portability with evidence	1.00
Portability without evidence	1.05

Line 12 - Cancer Screening Benefit

Annual Amount	Employee Rate	Spouse Rate	Child Rate
\$50	1.250	1.250	0.625
\$75	2.188	2.188	1.094
\$100	3.333	3.333	1.667
\$125	4.688	4.688	2.344
\$150	5.625	5.625	2.813

Line 13 - Target Loss Ratio

Calculate the monthly claim cost based on the rate through Line 12

Calculate the annual claim cost as the product of the monthly claim cost and 12

Calculate the Line 13 rate as the rate through Line 12 divided by the target loss ratio.

Annual Claim Costs		Voluntary Target Loss Ratio
From	To	
\$0	\$1,249	0.514
\$1,249	\$2,499	0.514
\$2,499	\$3,749	0.514
\$3,749	\$4,995	0.514
\$4,995	\$7,538	0.517
\$7,538	\$10,051	0.517
\$10,051	\$12,566	0.517
\$12,566	\$15,109	0.518
\$15,109	\$25,326	0.521
\$25,326	\$38,021	0.522
\$38,021	\$51,245	0.527
\$51,245	\$133,013	0.546
\$133,013	\$276,652	0.567
\$276,652	\$558,675	0.572
\$558,675	\$844,105	0.576
\$844,105	\$1,412,660	0.578
\$1,412,660	-	0.581

Annual Claim Costs		Non-Voluntary Target Loss Ratio
From	To	
\$0	\$1,250	0.516
\$1,250	\$2,633	0.541
\$2,633	\$4,132	0.565
\$4,132	\$5,495	0.563
\$5,495	\$8,408	0.574
\$8,408	\$11,286	0.578
\$11,286	\$14,310	0.586
\$14,310	\$17,347	0.592
\$17,347	\$30,338	0.620
\$30,338	\$47,306	0.645
\$47,306	\$65,517	0.669
\$65,517	\$178,708	0.728
\$178,708	\$371,448	0.755
\$371,448	\$754,152	0.767
\$754,152	\$1,140,719	0.773
\$1,140,719	\$1,910,112	0.777
\$1,910,112	-	0.780

Line 14 - Commissions Factor

Find the commissions factor using the same annual claim cost calculated in Line 13. Then multiply the premium rate through Line 13 by the commissions factor.

Annual Claim Costs		Adjust Voluntary commissions to...																	
From	To	0%	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%	11%	12%	13%	14%	15%	16%	17%
\$0	\$1,249	0.751	0.760	0.770	0.780	0.790	0.801	0.812	0.823	0.835	0.846	0.859	0.871	0.884	0.897	0.911	0.925	0.940	0.955
\$1,249	\$2,499	0.751	0.760	0.770	0.780	0.790	0.801	0.812	0.823	0.835	0.846	0.859	0.871	0.884	0.897	0.911	0.925	0.940	0.955
\$2,499	\$3,749	0.751	0.761	0.770	0.780	0.791	0.801	0.812	0.823	0.835	0.847	0.859	0.871	0.884	0.898	0.911	0.925	0.940	0.955
\$3,749	\$4,995	0.751	0.760	0.770	0.780	0.791	0.801	0.812	0.823	0.835	0.847	0.859	0.871	0.884	0.897	0.911	0.925	0.940	0.955
\$4,995	\$7,538	0.751	0.761	0.771	0.781	0.791	0.802	0.813	0.824	0.835	0.847	0.859	0.872	0.884	0.898	0.911	0.925	0.940	0.955
\$7,538	\$10,051	0.751	0.761	0.771	0.781	0.791	0.802	0.813	0.824	0.835	0.847	0.859	0.872	0.884	0.898	0.911	0.925	0.940	0.955
\$10,051	\$12,566	0.751	0.761	0.771	0.781	0.791	0.802	0.813	0.824	0.835	0.847	0.859	0.872	0.884	0.898	0.911	0.925	0.940	0.955
\$12,566	\$15,109	0.752	0.761	0.771	0.781	0.791	0.802	0.813	0.824	0.835	0.847	0.859	0.872	0.885	0.898	0.911	0.925	0.940	0.955
\$15,109	\$25,326	0.752	0.762	0.772	0.782	0.792	0.803	0.813	0.824	0.836	0.848	0.860	0.872	0.885	0.898	0.912	0.926	0.940	0.955
\$25,326	\$38,021	0.753	0.763	0.773	0.783	0.793	0.803	0.814	0.825	0.837	0.848	0.860	0.873	0.886	0.899	0.912	0.926	0.941	0.955
\$38,021	\$51,245	0.755	0.764	0.774	0.784	0.794	0.804	0.815	0.826	0.838	0.849	0.861	0.874	0.886	0.899	0.913	0.927	0.941	0.956
\$51,245	\$133,013	0.759	0.768	0.778	0.787	0.798	0.808	0.818	0.829	0.841	0.852	0.864	0.876	0.888	0.901	0.914	0.928	0.942	0.957
\$133,013	\$276,652	0.762	0.772	0.781	0.791	0.801	0.811	0.821	0.832	0.843	0.855	0.866	0.878	0.890	0.903	0.916	0.929	0.943	0.957
\$276,652	\$558,675	0.764	0.773	0.782	0.792	0.802	0.812	0.823	0.833	0.844	0.856	0.867	0.879	0.891	0.904	0.917	0.930	0.944	0.958
\$558,675	\$844,105	0.765	0.774	0.783	0.793	0.803	0.813	0.823	0.834	0.845	0.856	0.868	0.880	0.892	0.904	0.917	0.930	0.944	0.958
\$844,105	\$1,412,660	0.765	0.775	0.784	0.794	0.804	0.814	0.824	0.835	0.845	0.857	0.868	0.880	0.892	0.905	0.917	0.931	0.944	0.958
\$1,412,660	-	0.766	0.775	0.785	0.794	0.804	0.814	0.825	0.835	0.846	0.857	0.869	0.880	0.892	0.905	0.918	0.931	0.944	0.958

Annual Claim Costs		Adjust Voluntary commissions to...																	
From	To	18%	19%	20%	21%	22%	23%	24%	25%	26%	27%	28%	29%	30%	31%	32%	33%	34%	35%
\$0	\$1,249	0.970	0.986	1.003	1.020	1.038	1.056	1.075	1.095	1.115	1.136	1.159	1.181	1.205	1.230	1.256	1.283	1.311	1.341
\$1,249	\$2,499	0.970	0.986	1.003	1.020	1.038	1.056	1.075	1.095	1.115	1.136	1.159	1.181	1.205	1.230	1.256	1.283	1.311	1.341
\$2,499	\$3,749	0.970	0.986	1.003	1.020	1.038	1.056	1.075	1.095	1.115	1.136	1.158	1.181	1.205	1.229	1.255	1.282	1.310	1.339
\$3,749	\$4,995	0.970	0.986	1.003	1.020	1.038	1.056	1.075	1.095	1.115	1.136	1.158	1.181	1.205	1.230	1.256	1.283	1.311	1.340
\$4,995	\$7,538	0.970	0.986	1.003	1.020	1.038	1.056	1.075	1.094	1.115	1.136	1.158	1.181	1.204	1.229	1.255	1.281	1.309	1.339
\$7,538	\$10,051	0.970	0.986	1.003	1.020	1.038	1.056	1.075	1.094	1.115	1.136	1.158	1.181	1.204	1.229	1.255	1.281	1.309	1.339
\$10,051	\$12,566	0.970	0.986	1.003	1.020	1.038	1.056	1.075	1.094	1.115	1.136	1.158	1.181	1.204	1.229	1.255	1.281	1.309	1.339
\$12,566	\$15,109	0.970	0.986	1.003	1.020	1.037	1.056	1.075	1.094	1.115	1.136	1.158	1.180	1.204	1.229	1.254	1.281	1.309	1.338
\$15,109	\$25,326	0.970	0.986	1.003	1.020	1.037	1.055	1.074	1.094	1.114	1.135	1.157	1.179	1.203	1.227	1.253	1.280	1.307	1.336
\$25,326	\$38,021	0.971	0.986	1.003	1.020	1.037	1.055	1.074	1.093	1.113	1.134	1.156	1.178	1.202	1.226	1.251	1.278	1.305	1.334
\$38,021	\$51,245	0.971	0.987	1.003	1.020	1.037	1.055	1.073	1.093	1.112	1.133	1.155	1.177	1.200	1.224	1.249	1.275	1.302	1.331
\$51,245	\$133,013	0.971	0.987	1.003	1.019	1.036	1.053	1.072	1.090	1.110	1.130	1.151	1.172	1.195	1.218	1.242	1.268	1.294	1.321
\$133,013	\$276,652	0.972	0.987	1.003	1.019	1.035	1.052	1.070	1.088	1.107	1.127	1.147	1.168	1.190	1.213	1.236	1.261	1.286	1.313
\$276,652	\$558,675	0.972	0.987	1.003	1.019	1.035	1.052	1.069	1.088	1.106	1.126	1.146	1.167	1.188	1.211	1.234	1.258	1.284	1.310
\$558,675	\$844,105	0.972	0.987	1.003	1.018	1.035	1.052	1.069	1.087	1.106	1.125	1.145	1.166	1.187	1.209	1.232	1.256	1.281	1.307
\$844,105	\$1,412,660	0.972	0.987	1.003	1.018	1.035	1.051	1.069	1.087	1.105	1.124	1.144	1.165	1.186	1.208	1.231	1.255	1.280	1.306
\$1,412,660	-	0.973	0.987	1.003	1.018	1.034	1.051	1.068	1.086	1.105	1.124	1.144	1.164	1.185	1.207	1.230	1.254	1.279	1.304

Line 14 - Commissions Factor (continued)

Annual Claim Costs		Adjust Voluntary commissions to...								
From	To	36%	37%	38%	39%	40%	40% Yr 1 15% Yrs 2+	20% Yr 1 13% Yrs 2+	75% Yr 1 10% Yrs 2-5 5% Yrs 6+	65% Yr 1 10% Yrs 2-5 5% Yrs 6-10 2.5% Yrs 11+
\$0	\$1,249	1.372	1.404	1.438	1.473	1.510	1.000	0.925	1.063	1.016
\$1,249	\$2,499	1.372	1.404	1.438	1.473	1.510	1.000	0.925	1.063	1.016
\$2,499	\$3,749	1.370	1.402	1.436	1.471	1.508	1.000	0.925	1.063	1.016
\$3,749	\$4,995	1.371	1.403	1.437	1.472	1.509	1.000	0.925	1.063	1.016
\$4,995	\$7,538	1.369	1.401	1.435	1.470	1.507	1.000	0.925	1.063	1.016
\$7,538	\$10,051	1.369	1.401	1.435	1.470	1.507	1.000	0.925	1.063	1.016
\$10,051	\$12,566	1.369	1.401	1.435	1.470	1.507	1.000	0.925	1.063	1.016
\$12,566	\$15,109	1.369	1.401	1.434	1.469	1.506	1.000	0.925	1.063	1.016
\$15,109	\$25,326	1.367	1.398	1.431	1.466	1.503	1.000	0.926	1.062	1.016
\$25,326	\$38,021	1.364	1.395	1.428	1.463	1.499	1.000	0.926	1.062	1.016
\$38,021	\$51,245	1.360	1.391	1.424	1.458	1.494	1.000	0.927	1.062	1.016
\$51,245	\$133,013	1.350	1.380	1.411	1.444	1.478	1.000	0.928	1.060	1.015
\$133,013	\$276,652	1.341	1.369	1.400	1.431	1.464	1.000	0.929	1.059	1.015
\$276,652	\$558,675	1.337	1.365	1.395	1.426	1.459	1.000	0.930	1.058	1.015
\$558,675	\$844,105	1.334	1.363	1.392	1.423	1.455	1.000	0.930	1.058	1.015
\$844,105	\$1,412,660	1.333	1.361	1.390	1.421	1.452	1.000	0.931	1.058	1.015
\$1,412,660	-	1.331	1.359	1.388	1.418	1.450	1.000	0.931	1.058	1.015

Annual Claim Costs		Adjust Non-Voluntary commissions to...																
From	To	0%	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%	11%	12%	13%	14%	15%	16%
\$0	\$1,250	0.805	0.815	0.825	0.836	0.847	0.858	0.869	0.881	0.893	0.905	0.917	0.930	0.944	0.957	0.971	0.986	1.001
\$1,250	\$2,633	0.808	0.818	0.828	0.839	0.849	0.860	0.871	0.883	0.894	0.906	0.919	0.932	0.945	0.958	0.972	0.986	1.001
\$2,633	\$4,132	0.811	0.821	0.831	0.841	0.852	0.862	0.873	0.885	0.896	0.908	0.920	0.933	0.946	0.959	0.973	0.987	1.001
\$4,132	\$5,495	0.811	0.821	0.831	0.841	0.851	0.862	0.873	0.884	0.896	0.908	0.920	0.933	0.946	0.959	0.972	0.987	1.001
\$5,495	\$8,408	0.812	0.822	0.832	0.842	0.852	0.863	0.874	0.885	0.897	0.909	0.921	0.933	0.946	0.959	0.973	0.987	1.001
\$8,408	\$11,286	0.817	0.826	0.836	0.847	0.857	0.868	0.879	0.890	0.902	0.914	0.926	0.938	0.951	0.964	0.978	0.992	1.006
\$11,286	\$14,310	0.826	0.836	0.846	0.856	0.867	0.878	0.889	0.900	0.912	0.924	0.936	0.949	0.962	0.976	0.989	1.004	1.018
\$14,310	\$17,347	0.840	0.850	0.860	0.871	0.882	0.893	0.904	0.916	0.928	0.940	0.953	0.966	0.979	0.993	1.007	1.021	1.036
\$17,347	\$30,338	0.871	0.881	0.892	0.903	0.914	0.925	0.937	0.949	0.962	0.974	0.987	1.001	1.014	1.028	1.043	1.058	1.073
\$30,338	\$47,306	0.906	0.917	0.928	0.939	0.951	0.963	0.975	0.988	1.000	1.014	1.027	1.041	1.055	1.070	1.085	1.101	1.117
\$47,306	\$65,517	0.931	0.942	0.954	0.965	0.977	0.989	1.002	1.015	1.028	1.041	1.055	1.070	1.084	1.099	1.115	1.131	1.147
\$65,517	\$178,708	0.963	0.975	0.986	0.998	1.010	1.022	1.035	1.048	1.061	1.074	1.088	1.103	1.117	1.132	1.148	1.164	1.180
\$178,708	\$371,448	0.980	0.991	1.003	1.014	1.026	1.039	1.051	1.064	1.078	1.091	1.105	1.120	1.134	1.149	1.165	1.181	1.197
\$371,448	\$754,152	0.987	0.998	1.010	1.022	1.034	1.046	1.059	1.072	1.085	1.099	1.112	1.127	1.141	1.157	1.172	1.188	1.204
\$754,152	\$1,140,719	0.990	1.001	1.013	1.024	1.036	1.049	1.061	1.074	1.088	1.101	1.115	1.129	1.144	1.159	1.174	1.190	1.207
\$1,140,719	\$1,910,112	0.991	1.003	1.014	1.026	1.038	1.050	1.063	1.076	1.089	1.103	1.117	1.131	1.145	1.160	1.176	1.192	1.208
\$1,910,112	-	0.993	1.004	1.015	1.027	1.039	1.051	1.064	1.077	1.090	1.103	1.117	1.132	1.146	1.161	1.177	1.192	1.209

Line 14 - Commissions Factor (continued)

Annual Claim Costs		Adjust Non-Voluntary commissions to...																			
From	To	17%	18%	19%	20%	21%	22%	23%	24%	25%	26%	27%	28%	29%	30%	31%	32%	33%	34%	35%	
\$0	\$1,250	1.016	1.032	1.049	1.066	1.083	1.101	1.120	1.139	1.160	1.180	1.202	1.224	1.247	1.271	1.296	1.322	1.350	1.378	1.407	
\$1,250	\$2,633	1.016	1.032	1.048	1.064	1.082	1.099	1.118	1.136	1.156	1.176	1.197	1.219	1.242	1.265	1.289	1.314	1.341	1.368	1.396	
\$2,633	\$4,132	1.016	1.031	1.047	1.063	1.080	1.097	1.115	1.134	1.153	1.172	1.193	1.214	1.236	1.259	1.282	1.307	1.332	1.358	1.386	
\$4,132	\$5,495	1.016	1.031	1.047	1.063	1.080	1.097	1.115	1.134	1.153	1.173	1.193	1.214	1.236	1.259	1.283	1.307	1.333	1.359	1.387	
\$5,495	\$8,408	1.016	1.031	1.047	1.063	1.079	1.097	1.114	1.133	1.151	1.171	1.191	1.212	1.234	1.256	1.280	1.304	1.329	1.355	1.383	
\$8,408	\$11,286	1.021	1.037	1.052	1.069	1.085	1.103	1.120	1.139	1.158	1.178	1.198	1.219	1.241	1.263	1.287	1.311	1.337	1.363	1.390	
\$11,286	\$14,310	1.033	1.049	1.064	1.081	1.098	1.115	1.133	1.152	1.171	1.191	1.212	1.233	1.255	1.278	1.302	1.326	1.352	1.378	1.406	
\$14,310	\$17,347	1.052	1.067	1.084	1.100	1.118	1.136	1.154	1.173	1.193	1.213	1.234	1.256	1.279	1.302	1.326	1.352	1.378	1.405	1.434	
\$17,347	\$30,338	1.089	1.105	1.122	1.140	1.157	1.176	1.195	1.214	1.235	1.256	1.277	1.300	1.323	1.347	1.372	1.398	1.425	1.453	1.483	
\$30,338	\$47,306	1.133	1.150	1.168	1.186	1.204	1.223	1.243	1.263	1.285	1.306	1.329	1.352	1.377	1.402	1.428	1.455	1.483	1.512	1.542	
\$47,306	\$65,517	1.164	1.181	1.199	1.217	1.236	1.256	1.276	1.297	1.318	1.341	1.364	1.388	1.412	1.438	1.464	1.492	1.521	1.550	1.581	
\$65,517	\$178,708	1.197	1.214	1.232	1.250	1.269	1.289	1.309	1.329	1.351	1.373	1.396	1.419	1.444	1.469	1.495	1.522	1.550	1.579	1.609	
\$178,708	\$371,448	1.214	1.231	1.249	1.267	1.286	1.306	1.326	1.346	1.368	1.390	1.412	1.436	1.460	1.485	1.511	1.538	1.566	1.595	1.625	
\$371,448	\$754,152	1.221	1.238	1.256	1.274	1.293	1.313	1.333	1.353	1.375	1.396	1.419	1.443	1.467	1.492	1.518	1.544	1.572	1.601	1.631	
\$754,152	\$1,140,719	1.223	1.241	1.258	1.277	1.295	1.315	1.335	1.355	1.376	1.398	1.421	1.444	1.468	1.493	1.518	1.545	1.573	1.601	1.631	
\$1,140,719	\$1,910,112	1.225	1.242	1.260	1.278	1.296	1.316	1.336	1.356	1.377	1.399	1.421	1.444	1.468	1.493	1.519	1.545	1.573	1.601	1.631	
\$1,910,112	-	1.225	1.242	1.260	1.278	1.297	1.316	1.336	1.356	1.377	1.399	1.421	1.444	1.468	1.493	1.518	1.545	1.572	1.600	1.630	

Annual Claim Costs		Adjust Non-Voluntary commissions to...								
From	To	36%	37%	38%	39%	40%	40% Yr 1 15% Yrs 2+	20% Yr 1 13% Yrs 2+	75% Yr 1 10% Yrs 2-5 5% Yrs 6+	65% Yr 1 10% Yrs 2-5 5% Yrs 6-10 2.5% Yrs 11+
\$0	\$1,250	1.438	1.470	1.504	1.539	1.575	1.063	0.986	1.127	1.079
\$1,250	\$2,633	1.426	1.457	1.489	1.523	1.558	1.062	0.986	1.125	1.078
\$2,633	\$4,132	1.415	1.444	1.476	1.508	1.542	1.060	0.987	1.122	1.076
\$4,132	\$5,495	1.416	1.446	1.477	1.510	1.544	1.060	0.987	1.122	1.076
\$5,495	\$8,408	1.411	1.440	1.471	1.503	1.537	1.060	0.987	1.121	1.076
\$8,408	\$11,286	1.419	1.448	1.479	1.511	1.545	1.066	0.992	1.127	1.082
\$11,286	\$14,310	1.435	1.465	1.496	1.529	1.563	1.078	1.004	1.140	1.094
\$14,310	\$17,347	1.463	1.494	1.526	1.560	1.595	1.098	1.021	1.161	1.114
\$17,347	\$30,338	1.513	1.545	1.578	1.612	1.648	1.137	1.058	1.202	1.153
\$30,338	\$47,306	1.574	1.607	1.641	1.677	1.714	1.182	1.101	1.251	1.200
\$47,306	\$65,517	1.613	1.647	1.682	1.718	1.756	1.214	1.131	1.284	1.232
\$65,517	\$178,708	1.641	1.674	1.708	1.743	1.780	1.247	1.164	1.316	1.265
\$178,708	\$371,448	1.656	1.689	1.722	1.757	1.794	1.264	1.181	1.333	1.282
\$371,448	\$754,152	1.662	1.694	1.727	1.762	1.798	1.271	1.188	1.340	1.289
\$754,152	\$1,140,719	1.661	1.693	1.727	1.761	1.797	1.273	1.190	1.342	1.291
\$1,140,719	\$1,910,112	1.661	1.693	1.726	1.761	1.796	1.275	1.192	1.343	1.292
\$1,910,112	-	1.660	1.692	1.724	1.758	1.794	1.275	1.192	1.343	1.293

State:	District of Columbia	Filing Company:	The Guardian Life Insurance Company of America
TOI/Sub-TOI:	H07G Group Health - Specified Disease - Limited Benefit/H07G.002A Dread Disease - Cancer Only		
Product Name:	GC-CAN-12 Group Cancer Insurance - The Guardian		
Project Name/Number:	GC-CAN-12 Group Cancer Insurance - The Guardian Life Insurance Company of America/GC-CAN-12 Group Cancer Insurance - The Guardian Life Insurance Company of America		

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Cover Letter All Filings		
Comments:			
Attachment(s):			
Guardian Grp Cancer DC Rate - In-State Filing Letter - 10.10.12.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Certificate of Authority to File		
Comments:			
Attachment(s):			
Guardian-MCR authorization letter.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Actuarial Memorandum		
Comments:			
Attachment(s):			
Cancer.ActMemo.DC.20130118.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Actuarial Justification		
Comments:	Please see attached actuarial memorandum on the supporting documentation tab.		

		Item Status:	Status Date:
Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)		
Bypass Reason:	N/A - This is not a P&C filing.		

		Item Status:	Status Date:
Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)		

State:	District of Columbia	Filing Company:	The Guardian Life Insurance Company of America
TOI/Sub-TOI:	H07G Group Health - Specified Disease - Limited Benefit/H07G.002A Dread Disease - Cancer Only		
Product Name:	GC-CAN-12 Group Cancer Insurance - The Guardian		
Project Name/Number:	GC-CAN-12 Group Cancer Insurance - The Guardian Life Insurance Company of America/GC-CAN-12 Group Cancer Insurance - The Guardian Life Insurance Company of America		

Bypass Reason:	N/A - This is not a P&C filing.
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		Item Status:	Status Date:
Bypassed - Item:	Rate Summary Worksheet		
Bypass Reason:	N/A - These are new rates.		

2005 S. Easton Road, Suite 207
Doylestown, PA 18901
Ph# 215-230-7960
Fax # 215-230-7961
Email: mcr@mchughconsulting.com
www.mchughconsulting.com

McHugh Consulting Resources, Inc.

January 8, 2013

SUBMITTED VIA SERFF

Commissioner William White
District of Columbia Department of Insurance Securities and Banking
Insurance Products Division
810 1st Street NE Suite 701
Washington, DC 20002

RE: The Guardian Life Insurance Company of America
NAIC #64246 FEIN #13-5123390

GROUP CANCER COVERAGE
Certificate form GC-CAN-12-DC, et al.
Rate Submission

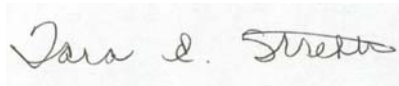
Dear Commissioner:

McHugh Consulting Resources, Inc. has been requested to file the enclosed rates on behalf of The Guardian Life Insurance Company of America. We have provided an authorization letter for your files.

Enclosed is the actuarial memorandum and rates for the above captioned Group Cancer plan submitted under separate cover with SERFF Tracking # MCHX-G128725539.

Thank you for your attention to this filing. Please do not hesitate to contact the undersigned at 215.230.7960 if there are any questions that we can answer regarding this filing.

Sincerely,



Tara E. Strehle, Consultant
McHugh Consulting Resources, Inc.
215-230-7960
mcr@mchughconsulting.com

Attachments



July 10, 2012

NAIC Company Code 64246

Re: Group/Individual Accident and Cancer Forms
Individual Dental Forms

Dear Sir/Madam:

Please accept this letter as authorization from The Guardian Life Insurance Company of America for McHugh Consulting Resources, Inc. to file any or all policy forms referenced in the corresponding SERFF filing on behalf of The Guardian Life Insurance Company of America.

Your consideration of this request is greatly appreciated.

Sincerely,

Bryan Cadel
Second Vice President, Group Chief Compliance Officer
Group Contracts and Regulatory Affairs
The Guardian Life Insurance Company of America

The Guardian Life Insurance Company of America

Actuarial Memorandum

1. Scope & Purpose

This actuarial memorandum and enclosed rate manual describe the pricing of Guardian's cancer policy. This memorandum supports the rates being filed. These are new forms. This memorandum is not intended to be used for any other purpose.

2. Benefit Description

This policy may provide an indemnity benefit as described in the schedule of insurance found in the policy for each of the benefits shown below. The benefit becomes payable if a covered person is diagnosed with cancer and receives services or treatment after the date he or she becomes insured and while covered under the policy. A benefit waiting period may need to be satisfied prior to being eligible for benefits. The policy pays no benefits other than what is stated in the policy form.

The benefits listed below represent a typical plan design; however, additional flexibility is allowed within the policy forms. For a complete description of benefits, please refer to the policy forms. Please see the attached supporting document "Cancer Schedule Amounts 2012-08.docx" for benefit amounts related to Schedule A, Schedule B, and Schedule C.

Air Ambulance: Pays the amount shown in the schedule of insurance if a licensed professional air ambulance is used to transport a covered person to a hospital where a covered person is confined as an inpatient for internal cancer treatment. The benefit is limited to two one-way trips per period of hospital confinement.

Alternative Care: Pays the amount shown in the schedule of insurance for alternative care benefits if a covered person is diagnosed with internal cancer. It is required that the cancer diagnosis be reconfirmed on a regular basis, either by proof of ongoing treatment, or by a doctor's recertification. The benefit is limited each benefit year to the number of visits shown in the schedule of insurance for palliative care and lifestyle benefits combined. The benefit is limited for palliative care and Lifestyle Benefits combined to two benefit years in covered person's lifetime.

1. Palliative Care Benefit: Pays the amount shown in the schedule of insurance for each visit to an accredited practitioner for bio-feedback and hypnosis.
2. Lifestyle Benefit: Pays the amount shown in the schedule of insurance for each visit to an accredited practitioner for smoking cessation, yoga, meditation, relaxation techniques and nutritional counseling.

Ambulance: Pays the amount shown in the schedule of insurance if a licensed professional ambulance is used to transport a covered person to a hospital where a covered person is confined as an inpatient for internal cancer treatment. The benefit is limited to two one-way trips per period of hospital confinement.

Anesthesia: If general anesthesia is provided to a covered person in connection with a surgical procedure covered under the Surgical Benefits section, the benefit will pay 25% of the amount shown in the schedule of insurance for the surgical procedure.

Anti-Nausea Medication: Pays the amount shown in the schedule of insurance if a doctor prescribes a covered person drugs to control nausea related to chemotherapy or radiation for internal cancer treatments. The benefit is limited each month to the amount shown in the schedule of insurance.

Attending Doctor: Pays the amount shown in the schedule of insurance if a covered person is visited by a doctor for the treatment of internal cancer while confined in a hospital. The benefit does not pay for visits by the operating surgeon. The benefit is limited per period of hospital confinement to the number of days shown in the schedule of insurance.

Blood, Plasma and Platelets: Pays the amount shown in the schedule of insurance for each day a covered person receives blood, plasma and/or platelets for the treatment of internal cancer. Pays whether the blood, plasma and/or platelets is received as an inpatient in a hospital or as an outpatient in a doctor's office, hospital or ambulatory surgical center. The benefit does not pay for blood, plasma and/or platelets for any other reason, including replacement of blood during surgery. The benefit is limited to pay in the 12 months which starts on the date of the first treatment to the amount shown in the schedule of insurance.

Bone Marrow and Stem Cells: Pays the amount shown in the schedule of insurance if a covered person receives a bone marrow transplant or stem cell transplant to treat internal cancer.

Cancer Screening: Once per benefit year, the benefit pays the amount in the schedule of insurance if you provide proof satisfactory to us that a covered person received at least one of the following tests for internal cancer: (1) bone marrow testing; (2) BRCA testing; (3) breast ultrasound; (4) breast MRI; (5) colonoscopy or virtual colonoscopy; (6) CA 125 test (blood test for ovarian cancer); (7) CA 15-3 test (blood test for breast cancer); (8) CEA (blood test for colon cancer) (9) chest x-ray; (10) CT scans or MRI scans; (11) flexible sigmoidoscopy; (12) hemocult stool specimen (lab confirmed); (13) mammogram; (14) pap smear;; (15) PSA (blood test for prostate cancer); (16) Serum Protein Electrophoresis (test for myeloma); (17) testicular ultrasound; (18) thermography; or (19) ThinPrep.

Pays a benefit once per benefit year for each covered person regardless of whether multiple tests are performed. This benefit will be paid whether or not cancer is diagnosed.

Cancer Screening Follow-Up: Once per benefit year pays the amount shown in the schedule of insurance for an additional invasive diagnostic procedure provided to a covered person. This benefit is payable only if the procedure is recommended by a doctor as necessary due to the results of the initial cancer screening procedure.

Experimental Treatment: Pays the amount shown in the schedule of insurance if a doctor prescribes experimental treatment for a covered person for the purpose of destroying or changing abnormal tissue and the treatment is administered by medical personnel in a doctor's office, clinic or hospital. All treatment must be NCI-listed as viable experimental treatment for internal cancer.

Benefits will not be payable under this provision for laboratory tests, immunotherapy, diagnostic x-rays, and therapeutic devices or other procedures related to the treatments. Benefits will not be payable under this provision for the same day the radiation and chemotherapy benefit is payable. However if a covered person is eligible for both the experimental treatment benefit and the radiation and chemotherapy benefit on the same day, then the higher benefit will be paid.

Extended Care Facility/Skilled Nursing Care: If benefits are paid under this plan's hospital confinement section for a covered person, and such covered person subsequently is confined to an extended care or skilled nursing facility for the treatment of internal cancer, the benefit paid will be the amount in the schedule of insurance. The extended care or skilled nursing facility confinement must start within 30 days of the end of the hospital confinement. The benefit amount paid each benefit year will be limited to the number of days shown in the schedule of insurance.

Government or Charity Hospital: In lieu of all the other benefits provided by this plan, the benefit amount paid will be the amount shown in the schedule of insurance per day when a covered person is confined to: (a) a hospital operated by or for the U.S. Government (including the Veteran's Administration); or (b) a hospital that does not charge for its services (charity). The confinement must be for the treatment of internal cancer.

Home Health Care: Pays the amount shown in the schedule of insurance if a covered person receives home health care or health support services for the treatment of cancer. The benefit amount is limited each benefit year to the limit shown in the schedule of insurance.

However, these services must start within seven days of release from a hospital. The covered person's doctor must certify that the covered person would need to be hospital confined if home health care was not available.

The benefits are payable under this section only if the home health care or health support services providers are licensed or certified and as qualified as caregivers providing comparable services at a hospital or other appropriate medical facility. This benefit will not be paid for any day a benefit is paid under the hospice section. If a covered person is eligible for both a benefit under the home health care and hospice sections on the same day, the higher amount will be paid.

Hormone Therapy: If a doctor prescribes, and a covered person receives hormone therapy as a treatment for internal cancer, the benefit amount paid will be the amount shown in the schedule of insurance. The benefit amount is limited to the number of treatments shown in the schedule of insurance each benefit year.

Hospice: Pays the amount shown in the schedule of insurance per day if a covered person receives hospice care. The benefit amount is limited to the number of days shown in the schedule of insurance during the covered person's lifetime.

It is required that that the covered person's doctor certify in writing that the covered person is terminally ill as a result of internal cancer, with a life expectancy of less than six months.

This benefit is not payable on the same day the extended care facility, home health care or hospital confinement benefit is payable. However, if a covered person is eligible for the extended care facility, home health care, hospice or hospital confinement benefit on the same day, the highest benefit will be paid.

Hospital Confinement: Pays the amount shown in the schedule of insurance for each day during a period of hospital confinement in which a covered person is confined in a hospital for the treatment of internal cancer.

Intensive Care Unit Confinement: Pays the amount shown in the schedule of insurance if a covered person is confined in a hospital's intensive care unit for the treatment of internal cancer. A benefit is not paid for intensive care unit confinement and hospital confinement on the same day.

Immunotherapy: If a doctor prescribes immunotherapy for a covered person as treatment for internal cancer, the benefit paid will be the amount shown in the schedule of insurance each month. The benefit amount is limited what is paid in a covered person's lifetime to the amount shown in the schedule of insurance.

Benefits will not be paid under this provision for the same treatment under this plan's radiation therapy or chemotherapy provision or the experimental treatment provision. However, if a covered person is eligible for the immunotherapy, radiation therapy or chemotherapy and the experimental treatment benefit on the same day, then the highest benefit will be paid.

Inpatient Special Nursing: While a covered person is an inpatient being treated for internal cancer, the benefit amount paid is the amount shown in the schedule of insurance each day for inpatient special nursing if a covered person requires full-time nursing care. Full-time means at least 8 hours of attendance in a 24 hour period. The benefit amount is limited each benefit year to the number of days shown in the schedule of insurance.

Nursing care must be ordered by a doctor for the treatment of internal cancer, and must be provided by a licensed registered graduate nurse or licensed practical or vocational nurse. Care cannot be provided by a family member.

Medical Imaging: Pays the amount shown in the schedule of insurance if a covered person receives a medical imaging procedure related to a diagnosed internal cancer. The benefit amount is limited to what is paid each benefit year to the number of images shown in the schedule of insurance.

Outpatient and Family Member Lodging: Pays the amount in the schedule of insurance per day for lodging as described below. The benefit amount is limited to what is paid for lodging to the number of days shown in the schedule of insurance.

The benefit pays a daily lodging benefit when a covered person stays in a hotel, motel or other commercial accommodation in conjunction with receiving treatment of internal cancer. Such treatment must be ordered by a doctor and must not be able to be obtained locally. Lodging must occur more than 50 miles from the covered person's home.

The benefit pays a daily lodging benefit for one adult family member who stays in a hotel, motel or other commercial accommodation in order to be near the covered person while confined in a hospital for internal cancer treatment. The hospital must be at least 50 miles from the covered person's home.

The benefit does not pay for any day that a stay begins more than 24 hours prior to treatment or more than 24 hours after treatment.

Outpatient or Ambulatory Surgical Center: Pays the amount shown in the schedule of insurance when a covered person uses an outpatient or ambulatory surgical center for a surgical procedure covered under this plan's surgical benefits section. The benefit amount is limited to three days per surgical procedure.

Physical or Speech Therapy: Pays the amount shown in the schedule of insurance for physical or speech therapy provided to a covered person for restoration of normal body function following treatment of internal cancer. Such therapy must be provided by a licensed or certified physical or speech therapist.

The benefit amount is limited for physical and speech therapy combined to the number of visits per month shown in the schedule of insurance. The benefit amount is limited for physical and speech therapy combined to the lifetime limit shown in the schedule of insurance.

Prosthetic Devices: Pays the amount shown in the schedule of insurance for prosthetic devices provided to a covered person as a direct result of treatment of internal cancer. There are separate amounts shown in the schedule of insurance for surgically implanted prosthetic devices and non-surgically implanted prosthetic devices. The benefit amount is limited for prosthetic devices in a covered person's lifetime to the amounts shown in the schedule of insurance.

Surgically implanted prosthetic devices must be the direct result or consequence of the surgical treatment of internal cancer.

Radiation Therapy or Chemotherapy: Pays the amounts shown in the schedule of insurance if a covered person receives radiation therapy or chemotherapy as internal cancer treatment for the purpose of changing or destroying abnormal tissue. Such therapy must be administered by medical personnel in a hospital, doctor's office or clinic. Benefits will be paid only for days on which treatment is performed.

Radiation therapy and chemotherapy treatments must be approved for the treatment of cancer by the United States Food and Drug Administration.

Reconstructive Surgery: Pays the amount shown in the schedule of insurance if a covered person has reconstructive surgery performed related to the treatment of internal cancer. A benefit is payable only for the following procedures: (a) Breast symmetry (modification of the non-cancerous breast performed within 5 years of reconstructing the cancerous breast); (b) Breast reconstruction; (c) Facial reconstruction; and (d) Breast transverse rectus abdominis myocutaneous (TRAM) flap.

Also, the benefit amount payable is 25% of the reconstructive surgery amounts shown in the schedule of insurance for general anesthesia used during these procedures.

Reproductive Benefits: Pays the amount shown in the schedule of insurance for a covered person to have oocytes extracted and harvested.

Also, once per covered person, the benefit amount payable is the amount shown in the schedule of insurance for the storage of a covered person's

oocytes or sperm with a licensed reproductive tissue bank or a similarly licensed facility. Any such extraction, harvesting or storage must occur prior to chemotherapy or radiation treatment that has been prescribed for the covered person's treatment of cancer.

The benefit amount is limited in a covered person's lifetime for covered reproductive benefits to the amount shown in the schedule of insurance.

Second Surgical Opinion: If a doctor has diagnosed a covered person with internal cancer requiring surgery and a covered person obtains a second surgical opinion, the benefit amount payable is the amount shown in the schedule of insurance. However, the second surgical opinion must be from a different doctor than the one who recommended the surgery. The benefit amount is limited to one benefit per surgical procedure.

Skin Cancer: Pays the amount shown in the schedule of insurance if a doctor performs any of the following procedures for the purpose of treating diagnosed skin cancer in a covered person: (a) biopsy; (b) reconstructive surgery following previous excision of skin cancer; (c) excision of skin cancer without flap or graft; or (d) excision of skin cancer with flap or graft. The amount shown in the schedule of insurance includes the amount payable for anesthesia services.

Surgical Benefits: Pays the amount shown in the schedule of insurance if a doctor performs one of the procedures shown in the schedule of insurance for the purpose of treating internal cancer diagnosed in a covered person. The schedule of insurance for Surgical Procedures does not apply to surgery for skin cancer, which will be covered only under the skin cancer section. The schedule of insurance for Surgical Procedures does not apply to reconstructive surgery, which is covered only under the Reconstructive Surgery section.

If more than one surgical procedure is performed through the same incision, benefits will be paid for only one procedure based upon the highest eligible benefit.

Transportation/Companion Transportation: Pays the amount shown in the schedule of insurance for transportation and companion transportation as follows.

This benefit pays a transportation benefit upon completion of a round trip to transport a covered person to a hospital or clinic for the purpose of internal cancer treatment. However the hospital or clinic must be at least 50 miles from a covered person's home. Transportation cannot be by the use of an ambulance or air ambulance.

If commercial travel (coach-class plane, train or bus) is necessary, the benefit will pay for one additional person to accompany a covered person. If

treatment is for a covered dependent child, a benefit will be paid for up to two adults to accompany the covered dependent child.

Initial Diagnosis Benefit: Pays a one-time benefit when an insured is diagnosed for the first time as having internal cancer, other than carcinomas in-situ. The first diagnosis must occur while the insured is covered by this plan.

- a) This benefit is paid once per covered person in a covered person's lifetime.
- b) This benefit is not paid for a diagnosis of skin cancer.
- c) This benefit is not paid if the diagnosis occurred prior to the covered person's effective date under this plan.
- d) This benefit is not paid for a recurrence, extension or metastatic spread of an internal cancer that was diagnosed: (a) prior to a covered person's effective date under this plan or (b) during this plan's benefit waiting period if applicable.
- e) This benefit is not paid if the diagnosis was made solely outside of the United States or Canada.

Waiver of Premium: If, while covered by this plan, the insured becomes disabled due to cancer that is diagnosed after your effective date, and the insured remains disabled for 90 days, the premium due after such 90 days will be waived for as long as the insured remains disabled.

To be considered disabled the insured must: (1) be unable to work at any job for which the insured is qualified by education, training or experience; and (2) not be working at any job for pay or benefits; and (3) be under the care of a doctor for the treatment of cancer.

3. Renewability

These policies are guaranteed renewable as long as the insured is actively at work.

4. Applicability

This filing is for new forms. This is a first time rate filing for these forms. There are no policies currently in force.

5. Morbidity

The morbidity assumptions for these forms were developed using the following sources:

- 1985 NAIC Cancer Tables
- SEER Cancer Statistics Review 1975–2008
- www.skincancer.org
- Milliman's Health Cost Guidelines™

- American Cancer Society, Colorectal Cancer Facts and Figures 2008-2010
- CDC, Health, United States, 2010
- Milliman's 2009 Long-Term Care Guidelines™
- National Hospital Discharge Survey: 2006 Annual Summary
- CDC: National Hospital Discharge Survey, Data Highlights – Selected Tables, Detailed Diagnosis and Procedure Tables, Number of All-Listed Procedures, 2009
- 2009 American Community Survey
- The National Academies:
http://sites.nationalacademies.org/Tobacco/SmokingCessation/Tobacco_051286
- Yoga Journal:
http://www.yogajournal.com/advertise/press_releases/10
- American Cancer Society, Clinical Trials: What You Need to Know
- NCHS National Hospital Ambulatory Medical Care Survey: 2007 Outpatient Department Summary
- Bone Marrow and Cord Blood Donation and Transplantation
- National Health Statistics Reports - Number 18, July 30, 2009
- Report of the 2010 Plastic Surgery Statistics

6. Mortality

Mortality used is 100% of the 1979-1981 ANB US Life Table.

7. Persistency

The assumed plan level termination rates are shown below:

Policy Year	Termination
1	<u>30%</u>
2	<u>22%</u>
3	<u>15%</u>
4	<u>14%</u>
5+	<u>13%</u>

8. Expenses

Expenses, commissions, premium tax, and profit and contingency will be no more than 46.7% of the premium.

Breakdown of expenses:

Expense Component	Percent of Premium
Claims	53.3%
Fixed expenses	7.4%

Variable expenses	7.1%
Profit (includes contingency and risk margin)	4.8%
Commissions	20.1%
Premium Tax	2.8%
Compensation	4.7%
Marketing expenses	1.0%
Investment income	-1.2%

Fixed expenses include but are not limited to: corporate overhead, facility overhead, marketing, human resources.

Variable expenses include but are not limited to: underwriting, sales representative compensation, case installation, and case maintenance

Voluntary – 40% commissions in first year and 15% commissions for second and later years

Contributory / Non-contributory –

Annual Premium		Commissions (as a % of Premium)
From	To	
\$0	\$15,000	15.0%
\$15,001	\$20,000	12.5%
\$20,001	\$25,000	10.5%
\$25,001	\$50,000	5.0%
\$50,001	-	0.5%

The attached rate manual contains factors to adjust rates to different commission levels.

9. Marketing Method

This product will be marketed to planholders and their members, including employees, through independent producers.

10. Underwriting

This product is provided to the eligible members of the policyholder's group and is underwritten with a yes/no simplified issue application on an accept/reject basis.

11. Premium Classification

The derivation of gross monthly premiums is shown in the attached rate manual. Additional rate adjustments are made for group and benefit characteristics and are also provided in the attached rate manual. All rates in the attached rate exhibit are on a composite rate basis (uni-sex and composite age).

12. Issue Age Range

Coverage is available to individuals that meet the eligibility provisions of the policy.

13. Area Factors

Premium rates do not vary by geographic area. The rates will be the same throughout the state.

14. Claim Liability and Reserves

Claim reserves will be set using appropriate actuarial methodology according to generally accepted actuarial principles, including but not limited to analysis of claim lag triangles, inventory methods, and percentage of premium methods. There are currently no claim reserves held since these are new forms.

15. Active Life Reserves

Active life reserves will be set using appropriate actuarial methodology as necessary. There are currently no active life reserves held since these are new forms.

16. Trend Assumptions

There were no trend assumptions used in developing the rates for the benefits included in these forms.

17. Minimum Loss Ratio

The minimum acceptable loss ratio is 53.3%.

18. Anticipated Loss Ratio

The anticipated loss ratio is assumed to be 53.3%.

19. Contingency and Risk Margins

These forms are expected to produce, based upon the expected claims, an overall contingency margin that is consistent with other products written by the company.

20. Experience - Past and Future

As this is a new policy, no historical experience is available.

21. Average annual premium

As this is a new policy, no historical experience is available. However, the expected average annual premium is \$375.

22. Lifetime Loss Ratio

Because these are new forms with no prior experience, the lifetime loss ratio is expected to be 53.3%.

23. History of Rate Adjustments

As these are new forms, there have been no rate adjustments.

24. Proposed Effective Date

The rates are to become effective upon approval by your Department of Insurance. No policies will be sold until the forms and rates have been submitted and/or approved as required by your regulations.

24. Actuarial Certification

I, Kathleen V. Earle, am a Member of the American Academy of Actuaries and meet its qualification standards for preparing rate filings. This actuarial memorandum has been prepared to describe the rates intended to be used for this product. This memorandum has been prepared in conformity with applicable Actuarial Standards of Practice (ASOP), including ASOP No. 8. This actuarial memorandum has been prepared for the sole purpose of demonstrating that the proposed rate schedule is reasonable and the memorandum may not be appropriate for other purposes.

I confirm that dispositions with respect to this filing are being made on behalf of residents of the District of Columbia only.

To the best of my knowledge and judgment, I certify that:

- (I) The entire filing is in compliance with the applicable laws of this state;
- (II) The entire filing is in compliance with all applicable Actuarial Standards of Practice;
- (III) The benefits provided are reasonable in relation to the proposed premiums; and
- (IV) The premium schedule is not excessive, inadequate, or unfairly discriminatory.

Emerging experience should be carefully monitored relative to the assumptions and appropriate adjustments made to the premiums in a timely manner for new sales going forward.



Kathleen V. Earle, ASA, MAAA
January 2013

State: District of Columbia**Filing Company:**

The Guardian Life Insurance Company of America

TOI/Sub-TOI: H07G Group Health - Specified Disease - Limited Benefit/H07G.002A Dread Disease - Cancer Only**Product Name:** GC-CAN-12 Group Cancer Insurance - The Guardian**Project Name/Number:** GC-CAN-12 Group Cancer Insurance - The Guardian Life Insurance Company of America/GC-CAN-12 Group Cancer Insurance - The Guardian Life Insurance Company of America

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
01/14/2013		Supporting Document	Actuarial Memorandum	01/22/2013	Cancer.ActMemo.20121219.pdf (Superceded)
01/08/2013		Rate	Actuarial Memorandum/Rates/Schedule	01/14/2013	CANCER RATE MANUAL 2012-08.pdf (Superceded) Cancer Schedule Amounts 2012-08.pdf
01/08/2013		Supporting Document	Actuarial Memorandum	01/14/2013	Cancer.ActMemo.20120806.pdf (Superceded)

The Guardian Life Insurance Company of America

Actuarial Memorandum

1. Scope & Purpose

This actuarial memorandum and enclosed rate manual describe the pricing of Guardian's cancer policy. This memorandum supports the rates being filed. These are new forms. This memorandum is not intended to be used for any other purpose.

2. Benefit Description

This policy may provide an indemnity benefit as described in the schedule of insurance found in the policy for each of the benefits shown below. The benefit becomes payable if a covered person is diagnosed with cancer and receives services or treatment after the date he or she becomes insured and while covered under the policy. A benefit waiting period may need to be satisfied prior to being eligible for benefits. The policy pays no benefits other than what is stated in the policy form.

The benefits listed below represent a typical plan design; however, additional flexibility is allowed within the policy forms. For a complete description of benefits, please refer to the policy forms. Please see the attached supporting document "Cancer Schedule Amounts 2012-08.docx" for benefit amounts related to Schedule A, Schedule B, and Schedule C.

Air Ambulance: Pays the amount shown in the schedule of insurance if a licensed professional air ambulance is used to transport a covered person to a hospital where a covered person is confined as an inpatient for internal cancer treatment. The benefit is limited to two one-way trips per period of hospital confinement.

Alternative Care: Pays the amount shown in the schedule of insurance for alternative care benefits if a covered person is diagnosed with internal cancer. It is required that the cancer diagnosis be reconfirmed on a regular basis, either by proof of ongoing treatment, or by a doctor's recertification. The benefit is limited each benefit year to the number of visits shown in the schedule of insurance for palliative care and lifestyle benefits combined. The benefit is limited for palliative care and Lifestyle Benefits combined to two benefit years in covered person's lifetime.

1. Palliative Care Benefit: Pays the amount shown in the schedule of insurance for each visit to an accredited practitioner for bio-feedback and hypnosis.
2. Lifestyle Benefit: Pays the amount shown in the schedule of insurance for each visit to an accredited practitioner for smoking cessation, yoga, meditation, relaxation techniques and nutritional counseling.

Ambulance: Pays the amount shown in the schedule of insurance if a licensed professional ambulance is used to transport a covered person to a hospital where a covered person is confined as an inpatient for internal cancer treatment. The benefit is limited to two one-way trips per period of hospital confinement.

Anesthesia: If general anesthesia is provided to a covered person in connection with a surgical procedure covered under the Surgical Benefits section, the benefit will pay 25% of the amount shown in the schedule of insurance for the surgical procedure.

Anti-Nausea Medication: Pays the amount shown in the schedule of insurance if a doctor prescribes a covered person drugs to control nausea related to chemotherapy or radiation for internal cancer treatments. The benefit is limited each month to the amount shown in the schedule of insurance.

Attending Doctor: Pays the amount shown in the schedule of insurance if a covered person is visited by a doctor for the treatment of internal cancer while confined in a hospital. The benefit does not pay for visits by the operating surgeon. The benefit is limited per period of hospital confinement to the number of days shown in the schedule of insurance.

Blood, Plasma and Platelets: Pays the amount shown in the schedule of insurance for each day a covered person receives blood, plasma and/or platelets for the treatment of internal cancer. Pays whether the blood, plasma and/or platelets is received as an inpatient in a hospital or as an outpatient in a doctor's office, hospital or ambulatory surgical center. The benefit does not pay for blood, plasma and/or platelets for any other reason, including replacement of blood during surgery. The benefit is limited to pay in the 12 months which starts on the date of the first treatment to the amount shown in the schedule of insurance.

Bone Marrow and Stem Cells: Pays the amount shown in the schedule of insurance if a covered person receives a bone marrow transplant or stem cell transplant to treat internal cancer.

Cancer Screening: Once per benefit year, the benefit pays the amount in the schedule of insurance if you provide proof satisfactory to us that a covered person received at least one of the following tests for internal cancer: (1) bone marrow testing; (2) BRCA testing; (3) breast ultrasound; (4) breast MRI; (5) colonoscopy or virtual colonoscopy; (6) CA 125 test (blood test for ovarian cancer); (7) CA 15-3 test (blood test for breast cancer); (8) CEA (blood test for colon cancer) (9) chest x-ray; (10) CT scans or MRI scans; (11) flexible sigmoidoscopy; (12) hemocult stool specimen (lab confirmed); (13) mammogram; (14) pap smear;; (15) PSA (blood test for prostate cancer); (16) Serum Protein Electrophoresis (test for myeloma); (17) testicular ultrasound; (18) thermography; or (19) ThinPrep.

Pays a benefit once per benefit year for each covered person regardless of whether multiple tests are performed. This benefit will be paid whether or not cancer is diagnosed.

Cancer Screening Follow-Up: Once per benefit year pays the amount shown in the schedule of insurance for an additional invasive diagnostic procedure provided to a covered person. This benefit is payable only if the procedure is recommended by a doctor as necessary due to the results of the initial cancer screening procedure.

Experimental Treatment: Pays the amount shown in the schedule of insurance if a doctor prescribes experimental treatment for a covered person for the purpose of destroying or changing abnormal tissue and the treatment is administered by medical personnel in a doctor's office, clinic or hospital. All treatment must be NCI-listed as viable experimental treatment for internal cancer.

Benefits will not be payable under this provision for laboratory tests, immunotherapy, diagnostic x-rays, and therapeutic devices or other procedures related to the treatments. Benefits will not be payable under this provision for the same day the radiation and chemotherapy benefit is payable. However if a covered person is eligible for both the experimental treatment benefit and the radiation and chemotherapy benefit on the same day, then the higher benefit will be paid.

Extended Care Facility/Skilled Nursing Care: If benefits are paid under this plan's hospital confinement section for a covered person, and such covered person subsequently is confined to an extended care or skilled nursing facility for the treatment of internal cancer, the benefit paid will be the amount in the schedule of insurance. The extended care or skilled nursing facility confinement must start within 30 days of the end of the hospital confinement. The benefit amount paid each benefit year will be limited to the number of days shown in the schedule of insurance.

Government or Charity Hospital: In lieu of all the other benefits provided by this plan, the benefit amount paid will be the amount shown in the schedule of insurance per day when a covered person is confined to: (a) a hospital operated by or for the U.S. Government (including the Veteran's Administration); or (b) a hospital that does not charge for its services (charity). The confinement must be for the treatment of internal cancer.

Home Health Care: Pays the amount shown in the schedule of insurance if a covered person receives home health care or health support services for the treatment of cancer. The benefit amount is limited each benefit year to the limit shown in the schedule of insurance.

However, these services must start within seven days of release from a hospital. The covered person's doctor must certify that the covered person would need to be hospital confined if home health care was not available.

The benefits are payable under this section only if the home health care or health support services providers are licensed or certified and as qualified as caregivers providing comparable services at a hospital or other appropriate medical facility. This benefit will not be paid for any day a benefit is paid under the hospice section. If a covered person is eligible for both a benefit under the home health care and hospice sections on the same day, the higher amount will be paid.

Hormone Therapy: If a doctor prescribes, and a covered person receives hormone therapy as a treatment for internal cancer, the benefit amount paid will be the amount shown in the schedule of insurance. The benefit amount is limited to the number of treatments shown in the schedule of insurance each benefit year.

Hospice: Pays the amount shown in the schedule of insurance per day if a covered person receives hospice care. The benefit amount is limited to the number of days shown in the schedule of insurance during the covered person's lifetime.

It is required that that the covered person's doctor certify in writing that the covered person is terminally ill as a result of internal cancer, with a life expectancy of less than six months.

This benefit is not payable on the same day the extended care facility, home health care or hospital confinement benefit is payable. However, if a covered person is eligible for the extended care facility, home health care, hospice or hospital confinement benefit on the same day, the highest benefit will be paid.

Hospital Confinement: Pays the amount shown in the schedule of insurance for each day during a period of hospital confinement in which a covered person is confined in a hospital for the treatment of internal cancer.

Intensive Care Unit Confinement: Pays the amount shown in the schedule of insurance if a covered person is confined in a hospital's intensive care unit for the treatment of internal cancer. A benefit is not paid for intensive care unit confinement and hospital confinement on the same day.

Immunotherapy: If a doctor prescribes immunotherapy for a covered person as treatment for internal cancer, the benefit paid will be the amount shown in the schedule of insurance each month. The benefit amount is limited what is paid in a covered person's lifetime to the amount shown in the schedule of insurance.

Benefits will not be paid under this provision for the same treatment under this plan's radiation therapy or chemotherapy provision or the experimental treatment provision. However, if a covered person is eligible for the immunotherapy, radiation therapy or chemotherapy and the experimental treatment benefit on the same day, then the highest benefit will be paid.

Inpatient Special Nursing: While a covered person is an inpatient being treated for internal cancer, the benefit amount paid is the amount shown in the schedule of insurance each day for inpatient special nursing if a covered person requires full-time nursing care. Full-time means at least 8 hours of attendance in a 24 hour period. The benefit amount is limited each benefit year to the number of days shown in the schedule of insurance.

Nursing care must be ordered by a doctor for the treatment of internal cancer, and must be provided by a licensed registered graduate nurse or licensed practical or vocational nurse. Care cannot be provided by a family member.

Medical Imaging: Pays the amount shown in the schedule of insurance if a covered person receives a medical imaging procedure related to a diagnosed internal cancer. The benefit amount is limited to what is paid each benefit year to the number of images shown in the schedule of insurance.

Outpatient and Family Member Lodging: Pays the amount in the schedule of insurance per day for lodging as described below. The benefit amount is limited to what is paid for lodging to the number of days shown in the schedule of insurance.

The benefit pays a daily lodging benefit when a covered person stays in a hotel, motel or other commercial accommodation in conjunction with receiving treatment of internal cancer. Such treatment must be ordered by a doctor and must not be able to be obtained locally. Lodging must occur more than 50 miles from the covered person's home.

The benefit pays a daily lodging benefit for one adult family member who stays in a hotel, motel or other commercial accommodation in order to be near the covered person while confined in a hospital for internal cancer treatment. The hospital must be at least 50 miles from the covered person's home.

The benefit does not pay for any day that a stay begins more than 24 hours prior to treatment or more than 24 hours after treatment.

Outpatient or Ambulatory Surgical Center: Pays the amount shown in the schedule of insurance when a covered person uses an outpatient or ambulatory surgical center for a surgical procedure covered under this plan's surgical benefits section. The benefit amount is limited to three days per surgical procedure.

Physical or Speech Therapy: Pays the amount shown in the schedule of insurance for physical or speech therapy provided to a covered person for restoration of normal body function following treatment of internal cancer. Such therapy must be provided by a licensed or certified physical or speech therapist.

The benefit amount is limited for physical and speech therapy combined to the number of visits per month shown in the schedule of insurance. The benefit amount is limited for physical and speech therapy combined to the lifetime limit shown in the schedule of insurance.

Prosthetic Devices: Pays the amount shown in the schedule of insurance for prosthetic devices provided to a covered person as a direct result of treatment of internal cancer. There are separate amounts shown in the schedule of insurance for surgically implanted prosthetic devices and non-surgically implanted prosthetic devices. The benefit amount is limited for prosthetic devices in a covered person's lifetime to the amounts shown in the schedule of insurance.

Surgically implanted prosthetic devices must be the direct result or consequence of the surgical treatment of internal cancer.

Radiation Therapy or Chemotherapy: Pays the amounts shown in the schedule of insurance if a covered person receives radiation therapy or chemotherapy as internal cancer treatment for the purpose of changing or destroying abnormal tissue. Such therapy must be administered by medical personnel in a hospital, doctor's office or clinic. Benefits will be paid only for days on which treatment is performed.

Radiation therapy and chemotherapy treatments must be approved for the treatment of cancer by the United States Food and Drug Administration.

Reconstructive Surgery: Pays the amount shown in the schedule of insurance if a covered person has reconstructive surgery performed related to the treatment of internal cancer. A benefit is payable only for the following procedures: (a) Breast symmetry (modification of the non-cancerous breast performed within 5 years of reconstructing the cancerous breast); (b) Breast reconstruction; (c) Facial reconstruction; and (d) Breast transverse rectus abdominis myocutaneous (TRAM) flap.

Also, the benefit amount payable is 25% of the reconstructive surgery amounts shown in the schedule of insurance for general anesthesia used during these procedures.

Reproductive Benefits: Pays the amount shown in the schedule of insurance for a covered person to have oocytes extracted and harvested.

Also, once per covered person, the benefit amount payable is the amount shown in the schedule of insurance for the storage of a covered person's

oocytes or sperm with a licensed reproductive tissue bank or a similarly licensed facility. Any such extraction, harvesting or storage must occur prior to chemotherapy or radiation treatment that has been prescribed for the covered person's treatment of cancer.

The benefit amount is limited in a covered person's lifetime for covered reproductive benefits to the amount shown in the schedule of insurance.

Second Surgical Opinion: If a doctor has diagnosed a covered person with internal cancer requiring surgery and a covered person obtains a second surgical opinion, the benefit amount payable is the amount shown in the schedule of insurance. However, the second surgical opinion must be from a different doctor than the one who recommended the surgery. The benefit amount is limited to one benefit per surgical procedure.

Skin Cancer: Pays the amount shown in the schedule of insurance if a doctor performs any of the following procedures for the purpose of treating diagnosed skin cancer in a covered person: (a) biopsy; (b) reconstructive surgery following previous excision of skin cancer; (c) excision of skin cancer without flap or graft; or (d) excision of skin cancer with flap or graft. The amount shown in the schedule of insurance includes the amount payable for anesthesia services.

Surgical Benefits: Pays the amount shown in the schedule of insurance if a doctor performs one of the procedures shown in the schedule of insurance for the purpose of treating internal cancer diagnosed in a covered person. The schedule of insurance for Surgical Procedures does not apply to surgery for skin cancer, which will be covered only under the skin cancer section. The schedule of insurance for Surgical Procedures does not apply to reconstructive surgery, which is covered only under the Reconstructive Surgery section.

If more than one surgical procedure is performed through the same incision, benefits will be paid for only one procedure based upon the highest eligible benefit.

Transportation/Companion Transportation: Pays the amount shown in the schedule of insurance for transportation and companion transportation as follows.

This benefit pays a transportation benefit upon completion of a round trip to transport a covered person to a hospital or clinic for the purpose of internal cancer treatment. However the hospital or clinic must be at least 50 miles from a covered person's home. Transportation cannot be by the use of an ambulance or air ambulance.

If commercial travel (coach-class plane, train or bus) is necessary, the benefit will pay for one additional person to accompany a covered person. If

treatment is for a covered dependent child, a benefit will be paid for up to two adults to accompany the covered dependent child.

Initial Diagnosis Benefit: Pays a one-time benefit when an insured is diagnosed for the first time as having internal cancer, other than carcinomas in-situ. The first diagnosis must occur while the insured is covered by this plan.

- a) This benefit is paid once per covered person in a covered person's lifetime.
- b) This benefit is not paid for a diagnosis of skin cancer.
- c) This benefit is not paid if the diagnosis occurred prior to the covered person's effective date under this plan.
- d) This benefit is not paid for a recurrence, extension or metastatic spread of an internal cancer that was diagnosed: (a) prior to a covered person's effective date under this plan or (b) during this plan's benefit waiting period if applicable.
- e) This benefit is not paid if the diagnosis was made solely outside of the United States or Canada.

Waiver of Premium: If, while covered by this plan, the insured becomes disabled due to cancer that is diagnosed after your effective date, and the insured remains disabled for 90 days, the premium due after such 90 days will be waived for as long as the insured remains disabled.

To be considered disabled the insured must: (1) be unable to work at any job for which the insured is qualified by education, training or experience; and (2) not be working at any job for pay or benefits; and (3) be under the care of a doctor for the treatment of cancer.

3. Renewability

These policies are guaranteed renewable as long as the insured is actively at work.

4. Applicability

This filing is for new forms. This is a first time rate filing for these forms. There are no policies currently in force.

5. Morbidity

The morbidity assumptions for these forms were developed using the following sources:

- 1985 NAIC Cancer Tables
- SEER Cancer Statistics Review 1975–2008
- www.skincancer.org
- Milliman's Health Cost Guidelines™

- American Cancer Society, Colorectal Cancer Facts and Figures 2008-2010
- CDC, Health, United States, 2010
- Milliman's 2009 Long-Term Care Guidelines™
- National Hospital Discharge Survey: 2006 Annual Summary
- CDC: National Hospital Discharge Survey, Data Highlights – Selected Tables, Detailed Diagnosis and Procedure Tables, Number of All-Listed Procedures, 2009
- 2009 American Community Survey
- The National Academies:
http://sites.nationalacademies.org/Tobacco/SmokingCessation/Tobacco_051286
- Yoga Journal:
http://www.yogajournal.com/advertise/press_releases/10
- American Cancer Society, Clinical Trials: What You Need to Know
- NCHS National Hospital Ambulatory Medical Care Survey: 2007 Outpatient Department Summary
- Bone Marrow and Cord Blood Donation and Transplantation
- National Health Statistics Reports - Number 18, July 30, 2009
- Report of the 2010 Plastic Surgery Statistics

6. Mortality

Mortality used is 100% of the 1979-1981 ANB US Life Table.

7. Persistency

The assumed plan level termination rates are shown below:

Policy Year	Termination
1	<u>30%</u>
2	<u>22%</u>
3	<u>15%</u>
4	<u>14%</u>
5+	<u>13%</u>

8. Expenses

Expenses, commissions, premium tax, and profit and contingency will be no more than 46.7% of the premium.

Voluntary – 40% commissions in first year and 15% commissions for second and later years

Contributory / Non-contributory –

Annual Premium		Commissions (as a % of Premium)
From	To	
\$0	\$15,000	15.0%
\$15,001	\$20,000	12.5%
\$20,001	\$25,000	10.5%
\$25,001	\$50,000	5.0%
\$50,001	-	0.5%

The attached rate manual contains factors to adjust rates to different commission levels.

9. Marketing Method

This product will be marketed to planholders and their members, including employees, through independent producers.

10. Underwriting

This product is provided to the eligible members of the policyholder's group and is underwritten with a yes/no simplified issue application on an accept/reject basis.

11. Premium Classification

The derivation of gross monthly premiums is shown in the attached rate manual. Additional rate adjustments are made for group and benefit characteristics and are also provided in the attached rate manual. All rates in the attached rate exhibit are on a composite rate basis (uni-sex and composite age).

12. Issue Age Range

Coverage is available to individuals that meet the eligibility provisions of the policy.

13. Area Factors

Premium rates do not vary by geographic area. The rates will be the same throughout the state.

14. Claim Liability and Reserves

Claim reserves will be set using appropriate actuarial methodology according to generally accepted actuarial principles, including but not limited

to analysis of claim lag triangles, inventory methods, and percentage of premium methods. There are currently no claim reserves held since these are new forms.

15. Active Life Reserves

Active life reserves will be set using appropriate actuarial methodology as necessary. There are currently no active life reserves held since these are new forms.

16. Trend Assumptions

There were no trend assumptions used in developing the rates for the benefits included in these forms.

17. Minimum Loss Ratio

The minimum acceptable loss ratio is 53.3%.

18. Anticipated Loss Ratio

The anticipated loss ratio is assumed to be 53.3%.

19. Contingency and Risk Margins

These forms are expected to produce, based upon the expected claims, an overall contingency margin that is consistent with other products written by the company.

20. Experience - Past and Future

As this is a new policy, no historical experience is available.

21. Lifetime Loss Ratio

Because these are new forms with no prior experience, the lifetime loss ratio is expected to be 53.3%.

22. History of Rate Adjustments

As these are new forms, there have been no rate adjustments.

23. Proposed Effective Date

The rates are to become effective upon approval by your Department of Insurance. No policies will be sold until the forms and rates have been submitted and/or approved as required by your regulations.

24. Actuarial Certification

I, Kathleen V. Earle, am a Member of the American Academy of Actuaries and meet its qualification standards for preparing rate filings. This actuarial memorandum has been prepared to describe the rates intended to be used for this product. This memorandum has been prepared in conformity with applicable Actuarial Standards of Practice (ASOP), including ASOP No. 8. This actuarial memorandum has been prepared for the sole purpose of demonstrating that the proposed rate schedule is reasonable and the memorandum may not be appropriate for other purposes.

To the best of my knowledge and judgment, I certify that:

- (I) The entire filing is in compliance with the applicable laws of this state;
- (II) The entire filing is in compliance with all applicable Actuarial Standards of Practice;
- (III) The benefits provided are reasonable in relation to the proposed premiums; and
- (IV) The premium schedule is not excessive, inadequate, or unfairly discriminatory.

Emerging experience should be carefully monitored relative to the assumptions and appropriate adjustments made to the premiums in a timely manner for new sales going forward.



Kathleen V. Earle, ASA, MAAA
December 2012

Line 1 - Cancer Monthly Base Rate

Calculate the Line 1 base rate for the employee by summing the base rates for each employee's age and gender

for either attained age rating or issue age rating and then dividing by the total number of employees

Similarly, calculate the Line 1 base rate for the spouse by summing the base rates for each employee's age and opposite gender

for either attained age rating or issue age rating and then dividing by the total number of employees

The Line 1 child base rate is the base rate for the given plan type

Age	Attained Age Rating						Issue Age Rating					
	Schedule A		Schedule B		Schedule C		Schedule A		Schedule B		Schedule C	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
17	0.328	0.355	0.465	0.521	0.667	0.735	0.476	0.595	0.707	0.978	1.011	1.404
18	0.345	0.389	0.500	0.587	0.716	0.826	0.496	0.642	0.747	1.069	1.067	1.538
19	0.364	0.423	0.537	0.654	0.767	0.918	0.519	0.693	0.789	1.167	1.127	1.682
20	0.383	0.459	0.574	0.721	0.819	1.011	0.543	0.747	0.833	1.271	1.192	1.836
21	0.403	0.495	0.606	0.785	0.865	1.099	0.569	0.806	0.874	1.378	1.251	1.996
22	0.424	0.532	0.644	0.854	0.919	1.195	0.597	0.869	0.924	1.498	1.323	2.179
23	0.448	0.574	0.686	0.933	0.978	1.310	0.631	0.938	0.980	1.630	1.404	2.379
24	0.473	0.617	0.729	1.012	1.038	1.426	0.669	1.012	1.041	1.772	1.493	2.597
25	0.498	0.694	0.772	1.127	1.098	1.589	0.710	1.094	1.106	1.928	1.589	2.836
26	0.524	0.770	0.816	1.262	1.160	1.782	0.755	1.177	1.177	2.092	1.692	3.091
27	0.550	0.837	0.860	1.390	1.223	1.965	0.803	1.261	1.252	2.263	1.804	3.360
28	0.581	0.905	0.910	1.531	1.293	2.184	0.857	1.350	1.335	2.443	1.926	3.647
29	0.605	0.966	0.954	1.665	1.356	2.394	0.914	1.442	1.423	2.631	2.059	3.948
30	0.630	1.024	0.998	1.796	1.419	2.601	0.979	1.541	1.522	2.831	2.205	4.268
31	0.658	1.081	1.046	1.928	1.487	2.808	1.051	1.649	1.631	3.045	2.369	4.611
32	0.695	1.147	1.103	2.068	1.569	3.027	1.133	1.767	1.752	3.275	2.553	4.982
33	0.749	1.242	1.183	2.248	1.684	3.316	1.224	1.895	1.887	3.525	2.757	5.385
34	0.809	1.341	1.270	2.433	1.810	3.612	1.322	2.031	2.033	3.789	2.979	5.812
35	0.874	1.446	1.361	2.623	1.940	3.915	1.429	2.175	2.192	4.070	3.222	6.267
36	0.940	1.555	1.453	2.872	2.074	4.301	1.544	2.327	2.364	4.370	3.488	6.754
37	1.006	1.666	1.546	3.123	2.207	4.689	1.670	2.488	2.553	4.682	3.781	7.263
38	1.093	1.809	1.679	3.432	2.407	5.195	1.807	2.660	2.763	5.008	4.107	7.800
39	1.180	1.952	1.811	3.741	2.607	5.703	1.956	2.838	2.988	5.339	4.461	8.346
40	1.269	2.098	1.946	4.053	2.811	6.214	2.118	3.024	3.234	5.675	4.846	8.904
41	1.363	2.250	2.086	4.370	3.021	6.733	2.295	3.220	3.503	6.019	5.271	9.474
42	1.465	2.409	2.233	4.694	3.242	7.261	2.490	3.425	3.799	6.369	5.741	10.057
43	1.613	2.603	2.462	5.069	3.597	7.879	2.705	3.640	4.128	6.727	6.264	10.655
44	1.768	2.805	2.696	5.452	3.961	8.507	2.936	3.861	4.479	7.084	6.826	11.254
45	1.928	3.013	2.937	5.840	4.334	9.143	3.183	4.087	4.857	7.438	7.431	11.849
46	2.096	3.226	3.185	6.231	4.718	9.744	3.450	4.318	5.265	7.854	8.088	12.494
47	2.272	3.439	3.439	6.621	5.111	10.380	3.739	4.553	5.709	8.281	8.807	13.194
48	2.514	3.645	3.829	6.918	5.742	10.883	4.055	4.796	6.197	8.616	9.600	13.768
49	2.761	3.852	4.225	7.214	6.384	11.386	4.389	5.046	6.710	8.961	10.433	14.359
50	3.017	4.062	4.629	7.511	7.037	11.891	4.743	5.308	7.252	9.318	11.314	14.973
51	3.283	4.278	5.042	7.812	7.705	12.402	5.122	5.582	7.828	9.691	12.252	15.614
52	3.561	4.500	5.464	8.118	8.387	12.920	5.529	5.870	8.444	10.081	13.256	16.286
53	3.931	4.754	6.043	8.464	9.325	13.518	5.968	6.173	9.110	10.493	14.342	16.995
54	4.315	5.014	6.633	8.814	10.280	14.123	6.428	6.490	9.801	10.921	15.472	17.734
55	4.706	5.272	7.228	9.161	11.244	14.723	6.909	6.821	10.524	11.369	16.654	18.507
56	5.159	5.585	7.899	9.584	12.314	15.429	7.417	7.171	11.284	11.844	17.900	19.325
57	5.614	5.906	8.568	10.011	13.382	16.141	7.943	7.531	12.073	12.334	19.201	20.175
58	6.160	6.312	9.428	10.578	14.784	17.110	8.494	7.904	12.903	12.844	20.576	21.064
59	6.708	6.727	10.287	11.152	16.189	18.092	9.054	8.275	13.739	13.348	21.966	21.947
60	7.262	7.144	11.149	11.726	17.601	19.075	9.626	8.641	14.583	13.843	23.376	22.821
61	7.831	7.553	12.020	12.290	19.017	20.047	10.213	9.001	15.439	14.329	24.796	23.682
62	8.416	7.947	12.900	12.835	20.462	20.996	10.815	9.355	16.307	14.814	26.257	24.546
63	9.110	8.339	13.928	13.382	22.187	21.971	11.435	9.706	17.191	15.308	27.753	25.424
64	9.828	8.716	14.971	13.908	23.935	22.921	12.049	10.053	18.059	15.792	29.227	26.286
65	10.553	9.084	16.014	14.421	25.685	23.852	12.652	10.398	18.904	16.268	30.666	27.135
66	11.276	9.450	17.044	14.928	27.421	24.776	13.239	10.745	19.728	16.739	32.073	27.971
67+	13.646	10.779	20.416	16.672	33.188	27.908	15.332	12.123	22.702	18.473	37.142	31.022
Child	0.448		0.689		0.976		0.448		0.689		0.976	

Line 2 - Benefit Waiting Period Factor

Benefit Waiting Period	Factor
0 days	1.00
30 days	0.98

Line 3 - Initial Diagnosis Benefit

To calculate the Line 3 rate, multiply the Line 3a base rate for either attained age rating (CANCER-2) or issue age rating (CANCER-3) for the appropriate initial diagnosis benefit amount by the Line 3b factor

Calculate the Line 3a rate for the employee by summing the rates for each employee's age and gender and then dividing by the total number of employees

Similarly, calculate the Line 3a rate for the spouse by summing the rates for each employee's age and opposite gender and then dividing by the total number of employees

The Line 3a child rate is the rate for the appropriate initial diagnosis benefit amount

Line 3a - Initial Diagnosis Benefit Amount

Age	Attained Age Rating							
	\$1,500		\$2,500		\$5,000		\$7,500	
	Male	Female	Male	Female	Male	Female	Male	Female
17	0.029	0.026	0.048	0.044	0.096	0.087	0.143	0.131
18	0.032	0.031	0.053	0.051	0.105	0.102	0.158	0.152
19	0.034	0.035	0.057	0.058	0.115	0.116	0.172	0.174
20	0.037	0.039	0.062	0.065	0.124	0.131	0.186	0.196
21	0.040	0.044	0.067	0.073	0.134	0.145	0.201	0.218
22	0.043	0.048	0.072	0.080	0.143	0.160	0.215	0.239
23	0.046	0.054	0.077	0.090	0.154	0.180	0.231	0.270
24	0.049	0.060	0.082	0.100	0.165	0.201	0.247	0.301
25	0.053	0.066	0.088	0.111	0.175	0.221	0.263	0.332
26	0.056	0.073	0.093	0.121	0.186	0.242	0.279	0.363
27	0.059	0.079	0.098	0.131	0.197	0.263	0.295	0.394
28	0.063	0.091	0.105	0.151	0.210	0.302	0.315	0.453
29	0.067	0.102	0.112	0.170	0.223	0.341	0.335	0.511
30	0.071	0.114	0.118	0.190	0.236	0.380	0.354	0.570
31	0.075	0.126	0.125	0.209	0.249	0.419	0.374	0.628
32	0.079	0.137	0.131	0.229	0.262	0.458	0.393	0.687
33	0.085	0.154	0.142	0.257	0.284	0.513	0.426	0.770
34	0.092	0.171	0.153	0.284	0.306	0.569	0.459	0.853
35	0.098	0.187	0.164	0.312	0.328	0.624	0.492	0.936
36	0.105	0.204	0.175	0.340	0.350	0.679	0.525	1.019
37	0.112	0.220	0.186	0.367	0.372	0.735	0.558	1.102
38	0.127	0.249	0.212	0.415	0.424	0.830	0.636	1.244
39	0.143	0.277	0.238	0.462	0.476	0.925	0.714	1.387
40	0.158	0.306	0.264	0.510	0.528	1.020	0.792	1.530
41	0.174	0.334	0.290	0.557	0.580	1.115	0.870	1.672
42	0.190	0.363	0.316	0.605	0.632	1.210	0.948	1.815
43	0.222	0.400	0.371	0.667	0.741	1.334	1.112	2.001
44	0.255	0.438	0.425	0.729	0.850	1.458	1.275	2.188
45	0.288	0.475	0.479	0.791	0.959	1.583	1.438	2.374
46	0.320	0.512	0.534	0.854	1.067	1.707	1.601	2.561
47	0.353	0.549	0.588	0.916	1.176	1.831	1.764	2.747
48	0.423	0.594	0.704	0.990	1.408	1.979	2.112	2.969
49	0.492	0.638	0.820	1.064	1.640	2.128	2.460	3.191
50	0.562	0.683	0.936	1.138	1.872	2.276	2.808	3.414
51	0.631	0.727	1.052	1.212	2.104	2.424	3.156	3.636
52	0.701	0.772	1.168	1.286	2.336	2.572	3.504	3.858
53	0.807	0.822	1.345	1.369	2.691	2.738	4.036	4.107
54	0.914	0.871	1.523	1.452	3.045	2.904	4.568	4.356
55	1.020	0.921	1.700	1.535	3.400	3.070	5.101	4.605
56	1.127	0.971	1.878	1.618	3.755	3.236	5.633	4.854
57	1.233	1.021	2.055	1.701	4.110	3.402	6.165	5.104
58	1.406	1.104	2.343	1.839	4.687	3.679	7.030	5.518
59	1.579	1.187	2.632	1.978	5.263	3.955	7.895	5.933
60	1.752	1.270	2.920	2.116	5.840	4.232	8.760	6.348
61	1.925	1.353	3.208	2.254	6.417	4.509	9.625	6.763
62	2.098	1.436	3.497	2.393	6.993	4.785	10.490	7.178
63	2.296	1.522	3.826	2.536	7.653	5.073	11.479	7.609
64	2.494	1.608	4.156	2.680	8.312	5.360	12.469	8.040
65	2.692	1.694	4.486	2.824	8.972	5.647	13.458	8.471
66	2.890	1.780	4.816	2.967	9.632	5.935	14.448	8.902
67	3.634	2.063	6.057	3.439	12.114	6.878	18.171	10.317
Child	0.041		0.069		0.138		0.207	

Line 3 - Initial Diagnosis Benefit Rider (continued)
Line 3a - Initial Diagnosis Benefit Amount (continued)

Age	Issue Age Rating							
	\$1,500		\$2,500		\$5,000		\$7,500	
	Male	Female	Male	Female	Male	Female	Male	Female
17	0.047	0.058	0.078	0.097	0.155	0.195	0.233	0.292
18	0.050	0.065	0.084	0.108	0.168	0.217	0.251	0.325
19	0.054	0.072	0.091	0.120	0.181	0.240	0.272	0.360
20	0.059	0.080	0.098	0.133	0.195	0.266	0.293	0.399
21	0.063	0.088	0.105	0.147	0.210	0.293	0.315	0.440
22	0.068	0.097	0.113	0.162	0.227	0.324	0.340	0.486
23	0.073	0.107	0.122	0.179	0.244	0.358	0.367	0.536
24	0.079	0.118	0.132	0.197	0.264	0.394	0.395	0.591
25	0.085	0.130	0.142	0.217	0.285	0.434	0.427	0.650
26	0.092	0.143	0.154	0.239	0.308	0.477	0.462	0.716
27	0.100	0.158	0.167	0.263	0.334	0.525	0.500	0.788
28	0.109	0.174	0.181	0.289	0.362	0.579	0.544	0.868
29	0.118	0.191	0.197	0.318	0.394	0.635	0.592	0.953
30	0.129	0.209	0.215	0.348	0.430	0.696	0.646	1.044
31	0.141	0.228	0.235	0.380	0.471	0.761	0.706	1.141
32	0.155	0.249	0.259	0.415	0.517	0.831	0.776	1.246
33	0.171	0.272	0.285	0.454	0.570	0.907	0.854	1.361
34	0.189	0.297	0.314	0.494	0.629	0.988	0.943	1.483
35	0.209	0.323	0.348	0.538	0.695	1.075	1.043	1.613
36	0.231	0.350	0.386	0.584	0.771	1.168	1.157	1.752
37	0.257	0.381	0.429	0.634	0.857	1.269	1.286	1.903
38	0.287	0.414	0.479	0.690	0.957	1.379	1.436	2.069
39	0.320	0.448	0.534	0.747	1.067	1.493	1.601	2.240
40	0.357	0.483	0.595	0.806	1.189	1.611	1.784	2.417
41	0.398	0.520	0.663	0.867	1.326	1.735	1.990	2.602
42	0.444	0.000	0.740	0.000	1.481	0.000	2.221	0.000
43	0.497	0.601	0.829	1.001	1.657	2.002	2.486	3.002
44	0.555	0.643	0.924	1.071	1.849	2.142	2.773	3.213
45	0.617	0.686	1.029	1.144	2.058	2.287	3.087	3.431
46	0.687	0.731	1.145	1.218	2.289	2.437	3.434	3.655
47	0.764	0.778	1.274	1.296	2.548	2.592	3.821	3.888
48	0.852	0.827	1.420	1.378	2.840	2.755	4.259	4.133
49	0.944	0.877	1.573	1.461	3.147	2.923	4.720	4.384
50	1.042	0.929	1.736	1.548	3.472	3.095	5.208	4.643
51	1.146	0.982	1.910	1.637	3.820	3.273	5.730	4.910
52	1.259	1.038	2.098	1.730	4.196	3.459	6.295	5.189
53	1.383	1.096	2.304	1.827	4.608	3.654	6.912	5.482
54	1.511	1.157	2.518	1.929	5.037	3.857	7.555	5.786
55	1.646	1.221	2.743	2.035	5.486	4.069	8.230	6.104
56	1.789	1.288	2.982	2.147	5.963	4.293	8.945	6.440
57	1.942	1.359	3.236	2.265	6.472	4.531	9.708	6.796
58	2.107	1.436	3.512	2.394	7.025	4.787	10.537	7.181
59	2.274	1.513	3.790	2.521	7.581	5.042	11.371	7.563
60	2.442	1.589	4.070	2.648	8.141	5.295	12.211	7.943
61	2.612	1.664	4.353	2.773	8.707	5.546	13.060	8.320
62	2.784	1.739	4.641	2.898	9.281	5.796	13.922	8.694
63	2.960	1.813	4.933	3.022	9.867	6.043	14.800	9.065
64	3.134	1.886	5.223	3.143	10.447	6.286	15.670	9.429
65	3.306	1.957	5.510	3.261	11.020	6.522	16.530	9.783
66	3.476	2.025	5.793	3.376	11.586	6.751	17.379	10.127
67	4.039	2.246	6.732	3.744	13.464	7.487	20.196	11.231
Child	0.041		0.069		0.138		0.207	

Line 3b - Initial Diagnosis Benefit Waiting Period Factor

Benefit Waiting Period	Factor
0 days	1.00
30 days	0.98

Line 4 - Contributory Size Factor

Employee Participation	Group Size				
	Less than 25	25-49	50-99	100-299	300+
Employer Paid: 100% (Non-Contributory)					
80% - 100%	1.00	0.95	0.90	0.85	0.80
0% - 80%	N/A	N/A	N/A	N/A	N/A
Employer Paid: >20% (Contributory)					
80% - 100%	1.05	1.00	0.95	0.90	0.85
61% - 80%	1.05	1.00	0.95	0.90	0.85
41% - 60%	1.15	1.10	1.05	0.95	0.90
21% - 40%	1.45	1.35	1.25	1.00	0.95
0% - 20%	2.00	1.75	1.50	1.10	1.00
Employer Paid: <20% (Voluntary)					
80% - 100%	1.05	1.00	0.95	0.90	0.85
61% - 80%	1.10	1.05	1.00	0.95	0.90
41% - 60%	1.20	1.15	1.10	1.00	0.95
21% - 40%	1.50	1.40	1.30	1.05	1.00
0% - 20%	2.00	1.75	1.50	1.10	1.00

Line 5 - Child Minimum Age Factor

Child Minimum Age	Factor
Birth (0 days)	1.00
14 Days	1.00

Line 6 - Dependent Age Factor

Dependent Children covered through age...

Non-Students	Full-time Students	Factor
19	23	0.965
19	25	0.970
19	26	0.975
20	23	0.970
20	25	0.975
20	26	0.980
21	23	0.980
21	25	0.985
21	26	0.990
23	23	0.985
23	25	0.990
23	26	0.995
25	25	0.995
25	26	0.998
26	26	1.000

Line 7 - Area Factor

From Zip Code	To Zip Code	Factor
00000	99999	1.00

Line 8 - Rate Guarantee Factor

Guarantee Period (years)	Factor
1	1.00
2	1.03

3	1.05
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Line 9 - Multi Options Factor

Multi Options Selected	Factor
Yes	1.05
No	1.00

Line 10 - Pre-existing Condition Factor

Pre-existing Condition Look back / Look forward periods	Factor	
	Virgin	Takeover
3 / 12 Exclusion	1.018	1.090
12 / 12 Exclusion	1.000	1.090
6 / 24 Exclusion	1.011	1.090
6 / 6 Exclusion	1.018	1.090

Line 11 - Portability Factor

Portability Option	Factor
None	1.00
Portability with evidence	1.00
Portability without evidence	1.05

Line 12 - Cancer Screening Benefit

Annual Amount	Employee Rate	Spouse Rate	Child Rate
\$50	1.250	1.250	0.625
\$75	2.188	2.188	1.094
\$100	3.333	3.333	1.667
\$125	4.688	4.688	2.344
\$150	5.625	5.625	2.813

Line 13 - Target Loss Ratio

Calculate the monthly claim cost based on the rate through Line 12

Calculate the annual claim cost as the product of the monthly claim cost and 12

Calculate the Line 13 rate as the rate through Line 12 divided by the target loss ratio.

Annual Claim Costs		Voluntary Target Loss Ratio
From	To	
\$0	\$1,249	0.500
\$1,249	\$2,499	0.500
\$2,499	\$3,749	0.500
\$3,749	\$4,995	0.500
\$4,995	\$7,538	0.503
\$7,538	\$10,051	0.503
\$10,051	\$12,566	0.503
\$12,566	\$15,109	0.504
\$15,109	\$25,326	0.507
\$25,326	\$38,021	0.507
\$38,021	\$51,245	0.512
\$51,245	\$133,013	0.532
\$133,013	\$276,652	0.553
\$276,652	\$558,675	0.559
\$558,675	\$844,105	0.563
\$844,105	\$1,412,660	0.565
\$1,412,660	-	0.568

Annual Claim Costs		Non-Voluntary Target Loss Ratio
From	To	
\$0	\$1,250	0.500
\$1,250	\$2,633	0.527
\$2,633	\$4,132	0.551
\$4,132	\$5,495	0.549
\$5,495	\$8,408	0.561
\$8,408	\$11,286	0.564
\$11,286	\$14,310	0.572
\$14,310	\$17,347	0.578
\$17,347	\$30,338	0.607
\$30,338	\$47,306	0.631
\$47,306	\$65,517	0.655
\$65,517	\$178,708	0.715
\$178,708	\$371,448	0.743
\$371,448	\$754,152	0.754
\$754,152	\$1,140,719	0.760
\$1,140,719	\$1,910,112	0.764
\$1,910,112	-	0.768

Line 14 - Commissions Factor

Find the commissions factor using the same annual claim cost calculated in Line 13. Then multiply the premium rate through Line 13 by the commissions factor.

Annual Claim Costs		Adjust Voluntary commissions to...																		
From	To	0%	1%	2%	3%	4%	3%	4%	5%	6%	7%	8%	9%	10%	11%	12%	13%	14%	15%	16%
\$0	\$1,249	0.703	0.714	0.725	0.736	0.748	0.736	0.748	0.760	0.773	0.786	0.799	0.813	0.827	0.842	0.857	0.873	0.890	0.907	0.925
\$1,249	\$2,499	0.703	0.714	0.725	0.736	0.748	0.736	0.748	0.760	0.773	0.786	0.799	0.813	0.827	0.842	0.857	0.873	0.890	0.907	0.925
\$2,499	\$3,749	0.704	0.714	0.725	0.737	0.748	0.737	0.748	0.760	0.773	0.786	0.799	0.813	0.827	0.842	0.857	0.873	0.890	0.907	0.925
\$3,749	\$4,995	0.703	0.714	0.725	0.736	0.748	0.736	0.748	0.760	0.773	0.786	0.799	0.813	0.827	0.842	0.857	0.873	0.890	0.907	0.925
\$4,995	\$7,538	0.705	0.715	0.726	0.738	0.749	0.738	0.749	0.761	0.774	0.787	0.800	0.814	0.828	0.843	0.858	0.874	0.890	0.907	0.925
\$7,538	\$10,051	0.705	0.715	0.726	0.738	0.749	0.738	0.749	0.761	0.774	0.787	0.800	0.814	0.828	0.843	0.858	0.874	0.890	0.907	0.925
\$10,051	\$12,566	0.705	0.715	0.726	0.738	0.749	0.738	0.749	0.761	0.774	0.787	0.800	0.814	0.828	0.843	0.858	0.874	0.890	0.907	0.925
\$12,566	\$15,109	0.705	0.716	0.727	0.738	0.750	0.738	0.750	0.762	0.774	0.787	0.800	0.814	0.828	0.843	0.858	0.874	0.890	0.908	0.925
\$15,109	\$25,326	0.706	0.717	0.728	0.739	0.751	0.739	0.751	0.763	0.775	0.788	0.801	0.815	0.829	0.844	0.859	0.875	0.891	0.908	0.926
\$25,326	\$38,021	0.706	0.717	0.728	0.739	0.751	0.739	0.751	0.763	0.775	0.788	0.801	0.815	0.829	0.844	0.859	0.875	0.891	0.908	0.926
\$38,021	\$51,245	0.709	0.719	0.730	0.741	0.753	0.741	0.753	0.765	0.777	0.790	0.803	0.817	0.831	0.845	0.860	0.876	0.892	0.909	0.926
\$51,245	\$133,013	0.716	0.727	0.737	0.748	0.760	0.748	0.760	0.772	0.784	0.796	0.809	0.822	0.836	0.850	0.865	0.880	0.896	0.912	0.929
\$133,013	\$276,652	0.724	0.734	0.745	0.756	0.767	0.756	0.767	0.778	0.790	0.802	0.815	0.828	0.841	0.855	0.869	0.884	0.899	0.915	0.931
\$276,652	\$558,675	0.726	0.736	0.747	0.758	0.769	0.758	0.769	0.780	0.792	0.804	0.816	0.829	0.842	0.856	0.870	0.885	0.900	0.916	0.932
\$558,675	\$844,105	0.728	0.738	0.748	0.759	0.770	0.759	0.770	0.781	0.793	0.805	0.817	0.830	0.843	0.857	0.871	0.886	0.901	0.916	0.933
\$844,105	\$1,412,660	0.728	0.739	0.749	0.760	0.771	0.760	0.771	0.782	0.794	0.806	0.818	0.831	0.844	0.858	0.872	0.886	0.901	0.917	0.933
\$1,412,660	-	0.729	0.740	0.750	0.761	0.772	0.761	0.772	0.783	0.794	0.806	0.819	0.832	0.845	0.858	0.872	0.887	0.902	0.917	0.933

Annual Claim Costs		Adjust Voluntary commissions to...																		
From	To	17%	18%	19%	20%	21%	22%	23%	24%	25%	26%	27%	28%	29%	30%	31%	32%	33%	34%	35%
\$0	\$1,249	0.943	0.963	0.983	1.004	1.025	1.048	1.072	1.097	1.123	1.151	1.180	1.210	1.242	1.276	1.311	1.349	1.389	1.431	1.476
\$1,249	\$2,499	0.943	0.963	0.983	1.004	1.025	1.048	1.072	1.097	1.123	1.151	1.180	1.210	1.242	1.276	1.311	1.349	1.389	1.431	1.476
\$2,499	\$3,749	0.943	0.963	0.983	1.004	1.025	1.048	1.072	1.097	1.123	1.151	1.180	1.210	1.242	1.276	1.311	1.349	1.389	1.431	1.476
\$3,749	\$4,995	0.943	0.962	0.983	1.004	1.025	1.048	1.072	1.097	1.123	1.151	1.180	1.210	1.242	1.276	1.311	1.349	1.389	1.431	1.476
\$4,995	\$7,538	0.944	0.963	0.983	1.004	1.025	1.048	1.072	1.097	1.123	1.150	1.179	1.209	1.240	1.274	1.309	1.346	1.386	1.428	1.472
\$7,538	\$10,051	0.944	0.963	0.983	1.004	1.025	1.048	1.072	1.097	1.123	1.150	1.179	1.209	1.240	1.274	1.309	1.346	1.386	1.428	1.472
\$10,051	\$12,566	0.944	0.963	0.983	1.004	1.025	1.048	1.072	1.097	1.123	1.150	1.179	1.209	1.240	1.274	1.309	1.346	1.386	1.427	1.472
\$12,566	\$15,109	0.944	0.963	0.983	1.004	1.025	1.048	1.072	1.096	1.122	1.150	1.178	1.208	1.240	1.273	1.308	1.345	1.385	1.426	1.470
\$15,109	\$25,326	0.944	0.963	0.983	1.004	1.025	1.048	1.071	1.096	1.122	1.149	1.177	1.207	1.238	1.271	1.306	1.343	1.382	1.423	1.467
\$25,326	\$38,021	0.944	0.963	0.983	1.004	1.025	1.048	1.071	1.096	1.121	1.148	1.177	1.206	1.238	1.271	1.306	1.342	1.381	1.422	1.466
\$38,021	\$51,245	0.945	0.963	0.983	1.003	1.025	1.047	1.070	1.095	1.120	1.147	1.175	1.204	1.235	1.267	1.301	1.337	1.375	1.416	1.459
\$51,245	\$133,013	0.946	0.965	0.984	1.003	1.024	1.045	1.068	1.091	1.115	1.140	1.167	1.195	1.224	1.255	1.287	1.321	1.357	1.394	1.434
\$133,013	\$276,652	0.948	0.966	0.984	1.003	1.023	1.043	1.065	1.087	1.110	1.134	1.160	1.186	1.214	1.243	1.273	1.305	1.338	1.374	1.411
\$276,652	\$558,675	0.949	0.966	0.984	1.003	1.023	1.043	1.064	1.086	1.109	1.133	1.158	1.184	1.211	1.240	1.270	1.301	1.334	1.369	1.405
\$558,675	\$844,105	0.949	0.967	0.985	1.003	1.023	1.043	1.064	1.085	1.108	1.132	1.156	1.182	1.209	1.238	1.267	1.298	1.331	1.365	1.401
\$844,105	\$1,412,660	0.949	0.967	0.985	1.003	1.022	1.042	1.063	1.085	1.108	1.131	1.156	1.181	1.208	1.236	1.266	1.297	1.329	1.363	1.399
\$1,412,660	-	0.950	0.967	0.985	1.003	1.022	1.042	1.063	1.085	1.107	1.130	1.155	1.180	1.207	1.235	1.264	1.295	1.327	1.361	1.396

Line 14 - Commissions Factor (continued)

Annual Claim Costs		Adjust Voluntary commissions to...								
From	To	36%	37%	38%	39%	40%	40% Yr 1 15% Yrs 2+	20% Yr 1 13% Yrs 2+	75% Yr 1 10% Yrs 2-5 5% Yrs 6+	65% Yr 1 10% Yrs 2-5 5% Yrs 6-10 2.5% Yrs 11+
\$0	\$1,249	1.524	1.575	1.629	1.688	1.750	1.000	0.907	1.081	1.021
\$1,249	\$2,499	1.524	1.575	1.629	1.688	1.750	1.000	0.907	1.081	1.021
\$2,499	\$3,749	1.523	1.574	1.629	1.687	1.750	1.000	0.907	1.081	1.021
\$3,749	\$4,995	1.524	1.575	1.630	1.688	1.751	1.000	0.907	1.081	1.021
\$4,995	\$7,538	1.519	1.570	1.624	1.681	1.743	1.000	0.907	1.081	1.020
\$7,538	\$10,051	1.519	1.570	1.624	1.681	1.743	1.000	0.907	1.081	1.020
\$10,051	\$12,566	1.519	1.569	1.623	1.681	1.743	1.000	0.907	1.081	1.020
\$12,566	\$15,109	1.517	1.568	1.621	1.679	1.740	1.000	0.908	1.081	1.020
\$15,109	\$25,326	1.513	1.563	1.616	1.672	1.733	1.000	0.908	1.080	1.020
\$25,326	\$38,021	1.512	1.562	1.615	1.671	1.732	1.000	0.908	1.080	1.020
\$38,021	\$51,245	1.504	1.553	1.604	1.659	1.718	1.000	0.909	1.079	1.020
\$51,245	\$133,013	1.477	1.522	1.569	1.620	1.674	1.000	0.912	1.076	1.019
\$133,013	\$276,652	1.450	1.492	1.536	1.582	1.632	1.000	0.915	1.073	1.019
\$276,652	\$558,675	1.444	1.485	1.528	1.573	1.622	1.000	0.916	1.072	1.018
\$558,675	\$844,105	1.439	1.479	1.522	1.567	1.615	1.000	0.916	1.072	1.018
\$844,105	\$1,412,660	1.437	1.477	1.519	1.563	1.611	1.000	0.917	1.071	1.018
\$1,412,660	-	1.433	1.473	1.515	1.559	1.606	1.000	0.917	1.071	1.018

Annual Claim Costs		Adjust Non-Voluntary commissions to...																
From	To	0%	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%	11%	12%	13%	14%	15%	16%
\$0	\$1,250	0.758	0.771	0.784	0.797	0.811	0.825	0.839	0.855	0.870	0.887	0.904	0.922	0.940	0.959	0.979	1.000	1.022
\$1,250	\$2,633	0.768	0.780	0.792	0.805	0.818	0.832	0.846	0.861	0.876	0.892	0.908	0.925	0.943	0.961	0.980	1.000	1.021
\$2,633	\$4,132	0.776	0.787	0.800	0.812	0.825	0.838	0.852	0.866	0.881	0.896	0.912	0.928	0.945	0.963	0.981	1.000	1.020
\$4,132	\$5,495	0.775	0.787	0.799	0.812	0.825	0.838	0.852	0.866	0.881	0.896	0.912	0.928	0.945	0.963	0.981	1.000	1.020
\$5,495	\$8,408	0.779	0.790	0.802	0.815	0.827	0.841	0.854	0.868	0.883	0.898	0.913	0.930	0.946	0.963	0.981	1.000	1.019
\$8,408	\$11,286	0.784	0.796	0.808	0.820	0.833	0.846	0.860	0.874	0.889	0.904	0.920	0.936	0.953	0.970	0.988	1.007	1.026
\$11,286	\$14,310	0.795	0.807	0.819	0.832	0.845	0.858	0.872	0.887	0.901	0.917	0.933	0.949	0.966	0.984	1.002	1.021	1.041
\$14,310	\$17,347	0.810	0.823	0.835	0.848	0.862	0.876	0.890	0.905	0.920	0.936	0.952	0.969	0.987	1.005	1.024	1.044	1.064
\$17,347	\$30,338	0.847	0.860	0.873	0.887	0.900	0.915	0.930	0.945	0.961	0.978	0.995	1.012	1.030	1.049	1.069	1.089	1.111
\$30,338	\$47,306	0.888	0.901	0.915	0.930	0.944	0.960	0.975	0.992	1.008	1.026	1.044	1.063	1.082	1.102	1.123	1.145	1.167
\$47,306	\$65,517	0.918	0.932	0.946	0.961	0.976	0.992	1.008	1.025	1.042	1.060	1.079	1.098	1.118	1.138	1.160	1.182	1.205
\$65,517	\$178,708	0.957	0.971	0.985	1.000	1.015	1.031	1.047	1.063	1.080	1.098	1.116	1.135	1.154	1.175	1.195	1.217	1.239
\$178,708	\$371,448	0.977	0.991	1.005	1.019	1.035	1.050	1.066	1.083	1.100	1.117	1.135	1.154	1.173	1.193	1.214	1.236	1.258
\$371,448	\$754,152	0.985	0.999	1.013	1.028	1.043	1.058	1.074	1.091	1.108	1.126	1.144	1.162	1.182	1.202	1.222	1.244	1.266
\$754,152	\$1,140,719	0.988	1.002	1.016	1.031	1.046	1.062	1.078	1.094	1.111	1.128	1.147	1.165	1.184	1.204	1.225	1.246	1.268
\$1,140,719	\$1,910,112	0.990	1.004	1.018	1.033	1.048	1.063	1.079	1.096	1.113	1.130	1.148	1.167	1.186	1.206	1.226	1.248	1.270
\$1,910,112	-	0.991	1.005	1.019	1.034	1.049	1.064	1.080	1.097	1.114	1.131	1.149	1.168	1.187	1.207	1.227	1.248	1.270

Line 14 - Commissions Factor (continued)

Annual Claim Costs		Adjust Non-Voluntary commissions to...																			
From	To	17%	18%	19%	20%	21%	22%	23%	24%	25%	26%	27%	28%	29%	30%	31%	32%	33%	34%	35%	
\$0	\$1,250	1.044	1.068	1.093	1.119	1.146	1.175	1.205	1.237	1.270	1.305	1.342	1.382	1.424	1.468	1.515	1.566	1.620	1.677	1.739	
\$1,250	\$2,633	1.042	1.064	1.088	1.112	1.138	1.164	1.192	1.222	1.253	1.285	1.319	1.356	1.394	1.434	1.477	1.522	1.570	1.622	1.676	
\$2,633	\$4,132	1.040	1.061	1.084	1.107	1.131	1.156	1.182	1.210	1.239	1.269	1.301	1.335	1.370	1.407	1.446	1.488	1.532	1.578	1.628	
\$4,132	\$5,495	1.040	1.062	1.084	1.107	1.131	1.157	1.183	1.211	1.240	1.270	1.302	1.336	1.371	1.408	1.448	1.490	1.534	1.581	1.630	
\$5,495	\$8,408	1.039	1.060	1.082	1.105	1.128	1.153	1.179	1.206	1.234	1.263	1.294	1.327	1.361	1.397	1.435	1.475	1.518	1.563	1.610	
\$8,408	\$11,286	1.046	1.067	1.089	1.112	1.136	1.161	1.187	1.214	1.242	1.272	1.303	1.336	1.370	1.407	1.445	1.485	1.528	1.573	1.621	
\$11,286	\$14,310	1.061	1.083	1.105	1.128	1.152	1.177	1.203	1.231	1.260	1.290	1.322	1.355	1.390	1.427	1.465	1.506	1.550	1.595	1.644	
\$14,310	\$17,347	1.085	1.107	1.130	1.154	1.179	1.205	1.233	1.261	1.291	1.322	1.355	1.390	1.426	1.465	1.505	1.548	1.593	1.642	1.693	
\$17,347	\$30,338	1.133	1.156	1.179	1.204	1.230	1.257	1.286	1.315	1.346	1.379	1.413	1.449	1.486	1.526	1.568	1.612	1.659	1.709	1.761	
\$30,338	\$47,306	1.190	1.215	1.240	1.267	1.294	1.323	1.353	1.385	1.418	1.453	1.489	1.527	1.568	1.610	1.655	1.703	1.753	1.806	1.863	
\$47,306	\$65,517	1.229	1.254	1.280	1.307	1.336	1.365	1.396	1.428	1.462	1.498	1.535	1.574	1.616	1.659	1.705	1.753	1.805	1.859	1.917	
\$65,517	\$178,708	1.263	1.287	1.312	1.338	1.365	1.393	1.423	1.454	1.486	1.519	1.554	1.591	1.630	1.670	1.713	1.757	1.804	1.854	1.907	
\$178,708	\$371,448	1.281	1.305	1.330	1.355	1.382	1.410	1.439	1.469	1.501	1.534	1.568	1.604	1.642	1.681	1.723	1.766	1.812	1.860	1.911	
\$371,448	\$754,152	1.289	1.313	1.338	1.363	1.390	1.418	1.447	1.477	1.508	1.541	1.575	1.611	1.648	1.687	1.728	1.771	1.817	1.865	1.915	
\$754,152	\$1,140,719	1.291	1.315	1.340	1.365	1.392	1.419	1.448	1.478	1.509	1.542	1.576	1.611	1.648	1.687	1.728	1.770	1.815	1.862	1.912	
\$1,140,719	\$1,910,112	1.293	1.316	1.341	1.366	1.393	1.420	1.449	1.479	1.510	1.542	1.576	1.611	1.648	1.687	1.727	1.770	1.814	1.861	1.911	
\$1,910,112	-	1.293	1.317	1.341	1.366	1.393	1.420	1.448	1.478	1.509	1.541	1.575	1.610	1.646	1.685	1.725	1.767	1.811	1.858	1.907	

Annual Claim Costs		Adjust Non-Voluntary commissions to...								
From	To	36%	37%	38%	39%	40%	40% Yr 1 15% Yrs 2+	20% Yr 1 13% Yrs 2+	75% Yr 1 10% Yrs 2-5 5% Yrs 6+	65% Yr 1 10% Yrs 2-5 5% Yrs 6-10 2.5% Yrs 11+
\$0	\$1,250	1.806	1.878	1.956	2.041	2.134	1.114	1.000	1.216	1.140
\$1,250	\$2,633	1.735	1.798	1.866	1.939	2.018	1.108	1.000	1.203	1.132
\$2,633	\$4,132	1.681	1.737	1.797	1.861	1.931	1.103	1.000	1.193	1.125
\$4,132	\$5,495	1.683	1.740	1.801	1.866	1.935	1.103	1.000	1.193	1.126
\$5,495	\$8,408	1.661	1.715	1.773	1.834	1.900	1.101	1.000	1.189	1.123
\$8,408	\$11,286	1.672	1.727	1.785	1.847	1.913	1.108	1.007	1.197	1.131
\$11,286	\$14,310	1.696	1.751	1.810	1.873	1.940	1.124	1.021	1.214	1.147
\$14,310	\$17,347	1.747	1.805	1.867	1.933	2.004	1.150	1.044	1.243	1.174
\$17,347	\$30,338	1.817	1.877	1.941	2.009	2.082	1.200	1.089	1.296	1.224
\$30,338	\$47,306	1.923	1.987	2.056	2.130	2.209	1.262	1.145	1.365	1.288
\$47,306	\$65,517	1.978	2.044	2.114	2.189	2.270	1.303	1.182	1.408	1.329
\$65,517	\$178,708	1.962	2.021	2.084	2.151	2.221	1.334	1.217	1.434	1.359
\$178,708	\$371,448	1.964	2.021	2.081	2.145	2.213	1.351	1.236	1.450	1.376
\$371,448	\$754,152	1.968	2.024	2.083	2.146	2.213	1.359	1.244	1.458	1.384
\$754,152	\$1,140,719	1.965	2.020	2.079	2.141	2.207	1.361	1.246	1.459	1.386
\$1,140,719	\$1,910,112	1.963	2.018	2.076	2.138	2.203	1.362	1.248	1.460	1.387
\$1,910,112	-	1.959	2.013	2.071	2.132	2.197	1.362	1.248	1.459	1.387

The Guardian Life Insurance Company of America

Actuarial Memorandum

1. Scope & Purpose

This actuarial memorandum and enclosed rate manual describe the pricing of Guardian's cancer policy. This memorandum supports the rates being filed. These are new forms. This memorandum is not intended to be used for any other purpose.

2. Benefit Description

This policy may provide an indemnity benefit as described in the schedule of insurance found in the policy for each of the benefits shown below. The benefit becomes payable if a covered person is diagnosed with cancer and receives services or treatment after the date he or she becomes insured and while covered under the policy. A benefit waiting period may need to be satisfied prior to being eligible for benefits. The policy pays no benefits other than what is stated in the policy form.

The benefits listed below represent a typical plan design; however, additional flexibility is allowed within the policy forms. For a complete description of benefits, please refer to the policy forms. Please see the attached supporting document "Cancer Schedule Amounts 2012-08.docx" for benefit amounts related to Schedule A, Schedule B, and Schedule C.

Air Ambulance: Pays the amount shown in the schedule of insurance if a licensed professional air ambulance is used to transport a covered person to a hospital where a covered person is confined as an inpatient for internal cancer treatment. The benefit is limited to two one-way trips per period of hospital confinement.

Alternative Care: Pays the amount shown in the schedule of insurance for alternative care benefits if a covered person is diagnosed with internal cancer. It is required that the cancer diagnosis be reconfirmed on a regular basis, either by proof of ongoing treatment, or by a doctor's recertification. The benefit is limited each benefit year to the number of visits shown in the schedule of insurance for palliative care and lifestyle benefits combined. The benefit is limited for palliative care and Lifestyle Benefits combined to two benefit years in covered person's lifetime.

1. Palliative Care Benefit: Pays the amount shown in the schedule of insurance for each visit to an accredited practitioner for bio-feedback and hypnosis.
2. Lifestyle Benefit: Pays the amount shown in the schedule of insurance for each visit to an accredited practitioner for smoking cessation, yoga, meditation, relaxation techniques and nutritional counseling.

Ambulance: Pays the amount shown in the schedule of insurance if a licensed professional ambulance is used to transport a covered person to a hospital where a covered person is confined as an inpatient for internal cancer treatment. The benefit is limited to two one-way trips per period of hospital confinement.

Anesthesia: If general anesthesia is provided to a covered person in connection with a surgical procedure covered under the Surgical Benefits section, the benefit will pay 25% of the amount shown in the schedule of insurance for the surgical procedure.

Anti-Nausea Medication: Pays the amount shown in the schedule of insurance if a doctor prescribes a covered person drugs to control nausea related to chemotherapy or radiation for internal cancer treatments. The benefit is limited each month to the amount shown in the schedule of insurance.

Attending Doctor: Pays the amount shown in the schedule of insurance if a covered person is visited by a doctor for the treatment of internal cancer while confined in a hospital. The benefit does not pay for visits by the operating surgeon. The benefit is limited per period of hospital confinement to the number of days shown in the schedule of insurance.

Blood, Plasma and Platelets: Pays the amount shown in the schedule of insurance for each day a covered person receives blood, plasma and/or platelets for the treatment of internal cancer. Pays whether the blood, plasma and/or platelets is received as an inpatient in a hospital or as an outpatient in a doctor's office, hospital or ambulatory surgical center. The benefit does not pay for blood, plasma and/or platelets for any other reason, including replacement of blood during surgery. The benefit is limited to pay in the 12 months which starts on the date of the first treatment to the amount shown in the schedule of insurance.

Bone Marrow and Stem Cells: Pays the amount shown in the schedule of insurance if a covered person receives a bone marrow transplant or stem cell transplant to treat internal cancer.

Cancer Screening: Once per benefit year, the benefit pays the amount in the schedule of insurance if you provide proof satisfactory to us that a covered person received at least one of the following tests for internal cancer: (1) bone marrow testing; (2) BRCA testing; (3) breast ultrasound; (4) breast MRI; (5) colonoscopy or virtual colonoscopy; (6) CA 125 test (blood test for ovarian cancer); (7) CA 15-3 test (blood test for breast cancer); (8) CEA (blood test for colon cancer) (9) chest x-ray; (10) CT scans or MRI scans; (11) flexible sigmoidoscopy; (12) hemocult stool specimen (lab confirmed); (13) mammogram; (14) pap smear;; (15) PSA (blood test for prostate cancer); (16) Serum Protein Electrophoresis (test for myeloma); (17) testicular ultrasound; (18) thermography; or (19) ThinPrep.

Pays a benefit once per benefit year for each covered person regardless of whether multiple tests are performed. This benefit will be paid whether or not cancer is diagnosed.

Cancer Screening Follow-Up: Once per benefit year pays the amount shown in the schedule of insurance for an additional invasive diagnostic procedure provided to a covered person. This benefit is payable only if the procedure is recommended by a doctor as necessary due to the results of the initial cancer screening procedure.

Experimental Treatment: Pays the amount shown in the schedule of insurance if a doctor prescribes experimental treatment for a covered person for the purpose of destroying or changing abnormal tissue and the treatment is administered by medical personnel in a doctor's office, clinic or hospital. All treatment must be NCI-listed as viable experimental treatment for internal cancer.

Benefits will not be payable under this provision for laboratory tests, immunotherapy, diagnostic x-rays, and therapeutic devices or other procedures related to the treatments. Benefits will not be payable under this provision for the same day the radiation and chemotherapy benefit is payable. However if a covered person is eligible for both the experimental treatment benefit and the radiation and chemotherapy benefit on the same day, then the higher benefit will be paid.

Extended Care Facility/Skilled Nursing Care: If benefits are paid under this plan's hospital confinement section for a covered person, and such covered person subsequently is confined to an extended care or skilled nursing facility for the treatment of internal cancer, the benefit paid will be the amount in the schedule of insurance. The extended care or skilled nursing facility confinement must start within 30 days of the end of the hospital confinement. The benefit amount paid each benefit year will be limited to the number of days shown in the schedule of insurance.

Government or Charity Hospital: In lieu of all the other benefits provided by this plan, the benefit amount paid will be the amount shown in the schedule of insurance per day when a covered person is confined to: (a) a hospital operated by or for the U.S. Government (including the Veteran's Administration); or (b) a hospital that does not charge for its services (charity). The confinement must be for the treatment of internal cancer.

Home Health Care: Pays the amount shown in the schedule of insurance if a covered person receives home health care or health support services for the treatment of cancer. The benefit amount is limited each benefit year to the limit shown in the schedule of insurance.

However, these services must start within seven days of release from a hospital. The covered person's doctor must certify that the covered person would need to be hospital confined if home health care was not available.

The benefits are payable under this section only if the home health care or health support services providers are licensed or certified and as qualified as caregivers providing comparable services at a hospital or other appropriate medical facility. This benefit will not be paid for any day a benefit is paid under the hospice section. If a covered person is eligible for both a benefit under the home health care and hospice sections on the same day, the higher amount will be paid.

Hormone Therapy: If a doctor prescribes, and a covered person receives hormone therapy as a treatment for internal cancer, the benefit amount paid will be the amount shown in the schedule of insurance. The benefit amount is limited to the number of treatments shown in the schedule of insurance each benefit year.

Hospice: Pays the amount shown in the schedule of insurance per day if a covered person receives hospice care. The benefit amount is limited to the number of days shown in the schedule of insurance during the covered person's lifetime.

It is required that that the covered person's doctor certify in writing that the covered person is terminally ill as a result of internal cancer, with a life expectancy of less than six months.

This benefit is not payable on the same day the extended care facility, home health care or hospital confinement benefit is payable. However, if a covered person is eligible for the extended care facility, home health care, hospice or hospital confinement benefit on the same day, the highest benefit will be paid.

Hospital Confinement: Pays the amount shown in the schedule of insurance for each day during a period of hospital confinement in which a covered person is confined in a hospital for the treatment of internal cancer.

Intensive Care Unit Confinement: Pays the amount shown in the schedule of insurance if a covered person is confined in a hospital's intensive care unit for the treatment of internal cancer. A benefit is not paid for intensive care unit confinement and hospital confinement on the same day.

Immunotherapy: If a doctor prescribes immunotherapy for a covered person as treatment for internal cancer, the benefit paid will be the amount shown in the schedule of insurance each month. The benefit amount is limited what is paid in a covered person's lifetime to the amount shown in the schedule of insurance.

Benefits will not be paid under this provision for the same treatment under this plan's radiation therapy or chemotherapy provision or the experimental treatment provision. However, if a covered person is eligible for the immunotherapy, radiation therapy or chemotherapy and the experimental treatment benefit on the same day, then the highest benefit will be paid.

Inpatient Special Nursing: While a covered person is an inpatient being treated for internal cancer, the benefit amount paid is the amount shown in the schedule of insurance each day for inpatient special nursing if a covered person requires full-time nursing care. Full-time means at least 8 hours of attendance in a 24 hour period. The benefit amount is limited each benefit year to the number of days shown in the schedule of insurance.

Nursing care must be ordered by a doctor for the treatment of internal cancer, and must be provided by a licensed registered graduate nurse or licensed practical or vocational nurse. Care cannot be provided by a family member.

Medical Imaging: Pays the amount shown in the schedule of insurance if a covered person receives a medical imaging procedure related to a diagnosed internal cancer. The benefit amount is limited to what is paid each benefit year to the number of images shown in the schedule of insurance.

Outpatient and Family Member Lodging: Pays the amount in the schedule of insurance per day for lodging as described below. The benefit amount is limited to what is paid for lodging to the number of days shown in the schedule of insurance.

The benefit pays a daily lodging benefit when a covered person stays in a hotel, motel or other commercial accommodation in conjunction with receiving treatment of internal cancer. Such treatment must be ordered by a doctor and must not be able to be obtained locally. Lodging must occur more than 50 miles from the covered person's home.

The benefit pays a daily lodging benefit for one adult family member who stays in a hotel, motel or other commercial accommodation in order to be near the covered person while confined in a hospital for internal cancer treatment. The hospital must be at least 50 miles from the covered person's home.

The benefit does not pay for any day that a stay begins more than 24 hours prior to treatment or more than 24 hours after treatment.

Outpatient or Ambulatory Surgical Center: Pays the amount shown in the schedule of insurance when a covered person uses an outpatient or ambulatory surgical center for a surgical procedure covered under this plan's surgical benefits section. The benefit amount is limited to three days per surgical procedure.

Physical or Speech Therapy: Pays the amount shown in the schedule of insurance for physical or speech therapy provided to a covered person for restoration of normal body function following treatment of internal cancer. Such therapy must be provided by a licensed or certified physical or speech therapist.

The benefit amount is limited for physical and speech therapy combined to the number of visits per month shown in the schedule of insurance. The benefit amount is limited for physical and speech therapy combined to the lifetime limit shown in the schedule of insurance.

Prosthetic Devices: Pays the amount shown in the schedule of insurance for prosthetic devices provided to a covered person as a direct result of treatment of internal cancer. There are separate amounts shown in the schedule of insurance for surgically implanted prosthetic devices and non-surgically implanted prosthetic devices. The benefit amount is limited for prosthetic devices in a covered person's lifetime to the amounts shown in the schedule of insurance.

Surgically implanted prosthetic devices must be the direct result or consequence of the surgical treatment of internal cancer.

Radiation Therapy or Chemotherapy: Pays the amounts shown in the schedule of insurance if a covered person receives radiation therapy or chemotherapy as internal cancer treatment for the purpose of changing or destroying abnormal tissue. Such therapy must be administered by medical personnel in a hospital, doctor's office or clinic. Benefits will be paid only for days on which treatment is performed.

Radiation therapy and chemotherapy treatments must be approved for the treatment of cancer by the United States Food and Drug Administration.

Reconstructive Surgery: Pays the amount shown in the schedule of insurance if a covered person has reconstructive surgery performed related to the treatment of internal cancer. A benefit is payable only for the following procedures: (a) Breast symmetry (modification of the non-cancerous breast performed within 5 years of reconstructing the cancerous breast); (b) Breast reconstruction; (c) Facial reconstruction; and (d) Breast transverse rectus abdominis myocutaneous (TRAM) flap.

Also, the benefit amount payable is 25% of the reconstructive surgery amounts shown in the schedule of insurance for general anesthesia used during these procedures.

Reproductive Benefits: Pays the amount shown in the schedule of insurance for a covered person to have oocytes extracted and harvested.

Also, once per covered person, the benefit amount payable is the amount shown in the schedule of insurance for the storage of a covered person's

oocytes or sperm with a licensed reproductive tissue bank or a similarly licensed facility. Any such extraction, harvesting or storage must occur prior to chemotherapy or radiation treatment that has been prescribed for the covered person's treatment of cancer.

The benefit amount is limited in a covered person's lifetime for covered reproductive benefits to the amount shown in the schedule of insurance.

Second Surgical Opinion: If a doctor has diagnosed a covered person with internal cancer requiring surgery and a covered person obtains a second surgical opinion, the benefit amount payable is the amount shown in the schedule of insurance. However, the second surgical opinion must be from a different doctor than the one who recommended the surgery. The benefit amount is limited to one benefit per surgical procedure.

Skin Cancer: Pays the amount shown in the schedule of insurance if a doctor performs any of the following procedures for the purpose of treating diagnosed skin cancer in a covered person: (a) biopsy; (b) reconstructive surgery following previous excision of skin cancer; (c) excision of skin cancer without flap or graft; or (d) excision of skin cancer with flap or graft. The amount shown in the schedule of insurance includes the amount payable for anesthesia services.

Surgical Benefits: Pays the amount shown in the schedule of insurance if a doctor performs one of the procedures shown in the schedule of insurance for the purpose of treating internal cancer diagnosed in a covered person. The schedule of insurance for Surgical Procedures does not apply to surgery for skin cancer, which will be covered only under the skin cancer section. The schedule of insurance for Surgical Procedures does not apply to reconstructive surgery, which is covered only under the Reconstructive Surgery section.

If more than one surgical procedure is performed through the same incision, benefits will be paid for only one procedure based upon the highest eligible benefit.

Transportation/Companion Transportation: Pays the amount shown in the schedule of insurance for transportation and companion transportation as follows.

This benefit pays a transportation benefit upon completion of a round trip to transport a covered person to a hospital or clinic for the purpose of internal cancer treatment. However the hospital or clinic must be at least 50 miles from a covered person's home. Transportation cannot be by the use of an ambulance or air ambulance.

If commercial travel (coach-class plane, train or bus) is necessary, the benefit will pay for one additional person to accompany a covered person. If

treatment is for a covered dependent child, a benefit will be paid for up to two adults to accompany the covered dependent child.

Initial Diagnosis Benefit: Pays a one-time benefit when an insured is diagnosed for the first time as having internal cancer, other than carcinomas in-situ. The first diagnosis must occur while the insured is covered by this plan.

- a) This benefit is paid once per covered person in a covered person's lifetime.
- b) This benefit is not paid for a diagnosis of skin cancer.
- c) This benefit is not paid if the diagnosis occurred prior to the covered person's effective date under this plan.
- d) This benefit is not paid for a recurrence, extension or metastatic spread of an internal cancer that was diagnosed: (a) prior to a covered person's effective date under this plan or (b) during this plan's benefit waiting period if applicable.
- e) This benefit is not paid if the diagnosis was made solely outside of the United States or Canada.

Waiver of Premium: If, while covered by this plan, the insured becomes disabled due to cancer that is diagnosed after your effective date, and the insured remains disabled for 90 days, the premium due after such 90 days will be waived for as long as the insured remains disabled.

To be considered disabled the insured must: (1) be unable to work at any job for which the insured is qualified by education, training or experience; and (2) not be working at any job for pay or benefits; and (3) be under the care of a doctor for the treatment of cancer.

3. Renewability

These policies are guaranteed renewable as long as the insured is actively at work.

4. Applicability

This filing is for new forms. This is a first time rate filing for these forms. There are no policies currently in force.

5. Morbidity

The morbidity assumptions for these forms were developed using the following sources:

- 1985 NAIC Cancer Tables
- SEER Cancer Statistics Review 1975–2008
- www.skincancer.org
- Milliman's Health Cost Guidelines™
- American Cancer Society, Colorectal Cancer Facts and Figures 2008-2010
- CDC, Health, United States, 2010
- Milliman's 2009 Long-Term Care Guidelines™
- National Hospital Discharge Survey: 2006 Annual Summary
- CDC: National Hospital Discharge Survey, Data Highlights – Selected Tables, Detailed Diagnosis and Procedure Tables, Number of All-Listed Procedures, 2009
- 2009 American Community Survey
- The National Academies:
http://sites.nationalacademies.org/Tobacco/SmokingCessation/Tobacco_051286
- Yoga Journal:
http://www.yogajournal.com/advertise/press_releases/10
- American Cancer Society, Clinical Trials: What You Need to Know
- NCHS National Hospital Ambulatory Medical Care Survey: 2007 Outpatient Department Summary
- Bone Marrow and Cord Blood Donation and Transplantation
- National Health Statistics Reports - Number 18, July 30, 2009
- Report of the 2010 Plastic Surgery Statistics

6. Mortality

Mortality used is 100% of the 1979-1981 ANB US Life Table.

7. Persistency

The assumed plan level termination rates are shown below:

Policy Year	Termination
1	<u>30%</u>
2	<u>22%</u>
3	<u>15%</u>
4	<u>14%</u>
5+	<u>13%</u>

8. Expenses

Expenses, commissions, premium tax, and profit and contingency will be no more than 48.1% of the premium.

Voluntary – 40% commissions in first year and 15% commissions for second and later years

Contributory / Non-contributory –

Annual Premium		Commissions (as a % of Premium)
From	To	
\$0	\$15,000	15.0%
\$15,001	\$20,000	12.5%
\$20,001	\$25,000	10.5%
\$25,001	\$50,000	5.0%
\$50,001	-	0.5%

The attached rate manual contains factors to adjust rates to different commission levels.

9. Marketing Method

This product will be marketed to planholders and their members, including employees, through independent producers.

10. Underwriting

This product is provided to the eligible members of the policyholder's group and is underwritten with a yes/no simplified issue application on an accept/reject basis.

11. Premium Classification

The derivation of gross monthly premiums is shown in the attached rate manual. Additional rate adjustments are made for group and benefit characteristics and are also provided in the attached rate manual. All rates in the attached rate exhibit are on a composite rate basis (uni-sex and composite age).

12. Issue Age Range

Coverage is available to individuals that meet the eligibility provisions of the policy.

13. Area Factors

Premium rates do not vary by geographic area. The rates will be the same throughout the state.

14. Claim Liability and Reserves

Claim reserves will be set using appropriate actuarial methodology according to generally accepted actuarial principles, including but not limited to analysis of claim lag triangles, inventory methods, and percentage of premium methods. There are currently no claim reserves held since these are new forms.

15. Active Life Reserves

Active life reserves will be set using appropriate actuarial methodology as necessary. There are currently no active life reserves held since these are new forms.

16. Trend Assumptions

There were no trend assumptions used in developing the rates for the benefits included in these forms.

17. Minimum Loss Ratio

The minimum acceptable loss ratio is 50.0%.

18. Anticipated Loss Ratio

The anticipated loss ratio is assumed to be 51.9%.

19. Contingency and Risk Margins

These forms are expected to produce, based upon the expected claims, an overall contingency margin that is consistent with other products written by the company.

20. Experience - Past and Future

As this is a new policy, no historical experience is available.

21. Lifetime Loss Ratio

Because these are new forms with no prior experience, the lifetime loss ratio is expected to be 51.9%.

22. History of Rate Adjustments

As these are new forms, there have been no rate adjustments.

23. Proposed Effective Date

The rates are to become effective upon approval by your Department of Insurance. No policies will be sold until the forms and rates have been submitted and/or approved as required by your regulations.

24. Actuarial Certification

I, Kathleen V. Earle, am a Member of the American Academy of Actuaries and meet its qualification standards for preparing rate filings. This actuarial memorandum has been prepared to describe the rates intended to be used for this product. This memorandum has been prepared in conformity with applicable Actuarial Standards of Practice (ASOP), including ASOP No. 8. This actuarial memorandum has been prepared for the sole purpose of demonstrating that the proposed rate schedule is reasonable and the memorandum may not be appropriate for other purposes.

To the best of my knowledge and judgment, I certify that:

- (I) The entire filing is in compliance with the applicable laws of this state;
- (II) The entire filing is in compliance with all applicable Actuarial Standards of Practice;
- (III) The benefits provided are reasonable in relation to the proposed premiums; and
- (IV) The premium schedule is not excessive, inadequate, or unfairly discriminatory.

Emerging experience should be carefully monitored relative to the assumptions and appropriate adjustments made to the premiums in a timely manner for new sales going forward.



Kathleen V. Earle, ASA, MAAA
August 2012